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OF
ABRAHAM NEWLAND, Esq.

LATE PRINCIPAL CASHIER AT
THE BANK OF ENGLAND;
With some Account of that
GREAT NATIONAL ESTABLISHMENT.

TO WHICH IS ADDED
AN APPENDIX,
CONTAINING
THE LATE CORRESPONDENCE
OF THE
Chancellor of the Exchequer with the Bank,
AND
A LIST OF THE STATUTES

Passed relative to it, from the time of its Incorporation.

Embellished with a Portrait, from an original Painting.

London:

PRINTED FOR B. CROSBY AND CO:

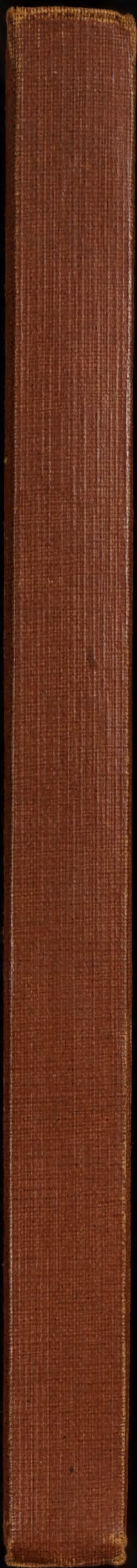
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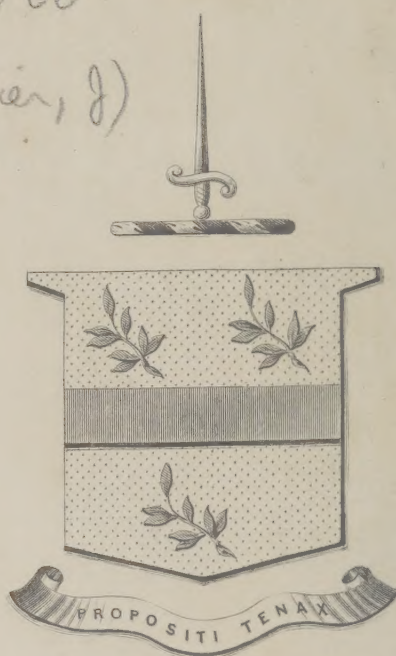




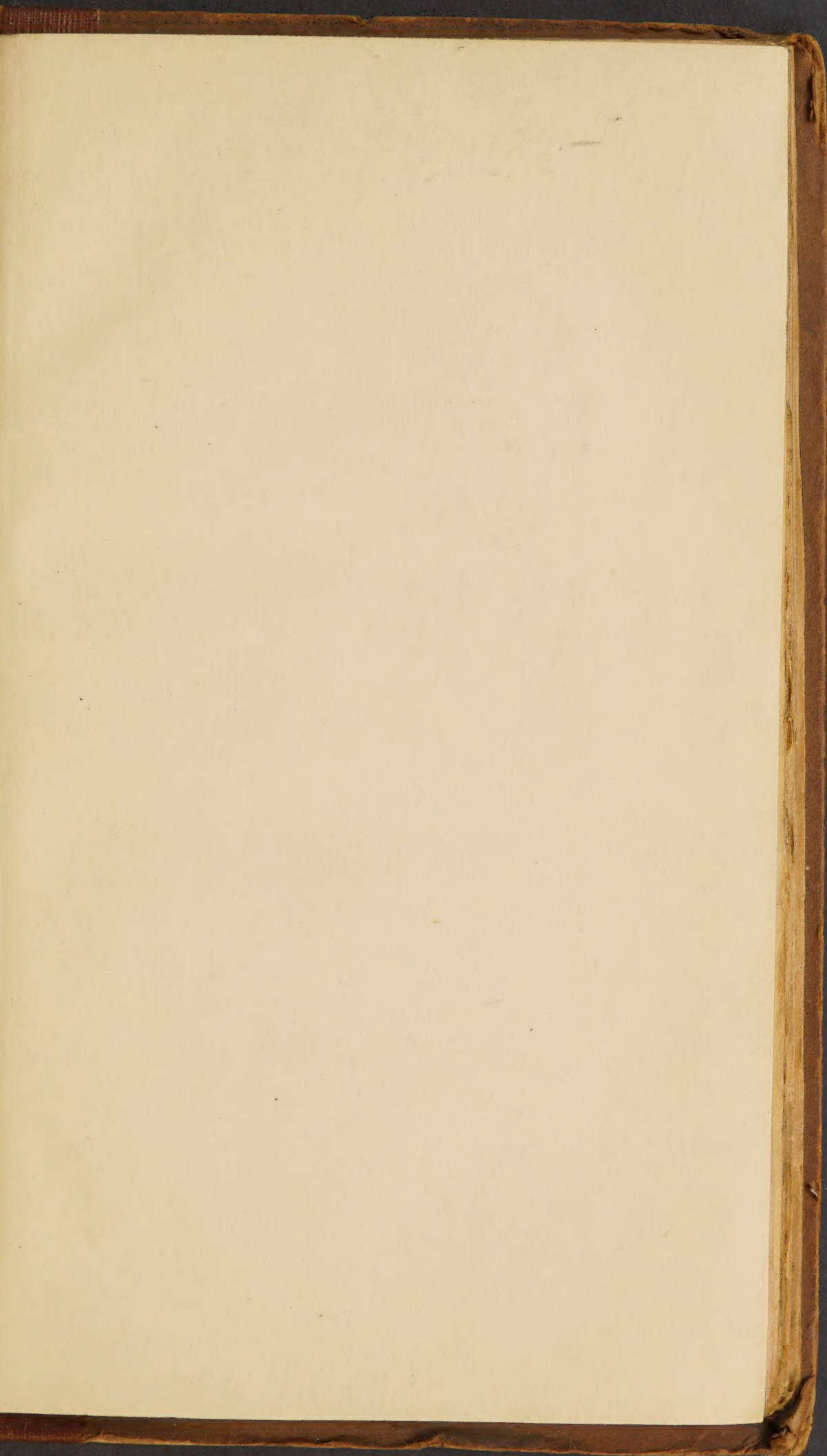


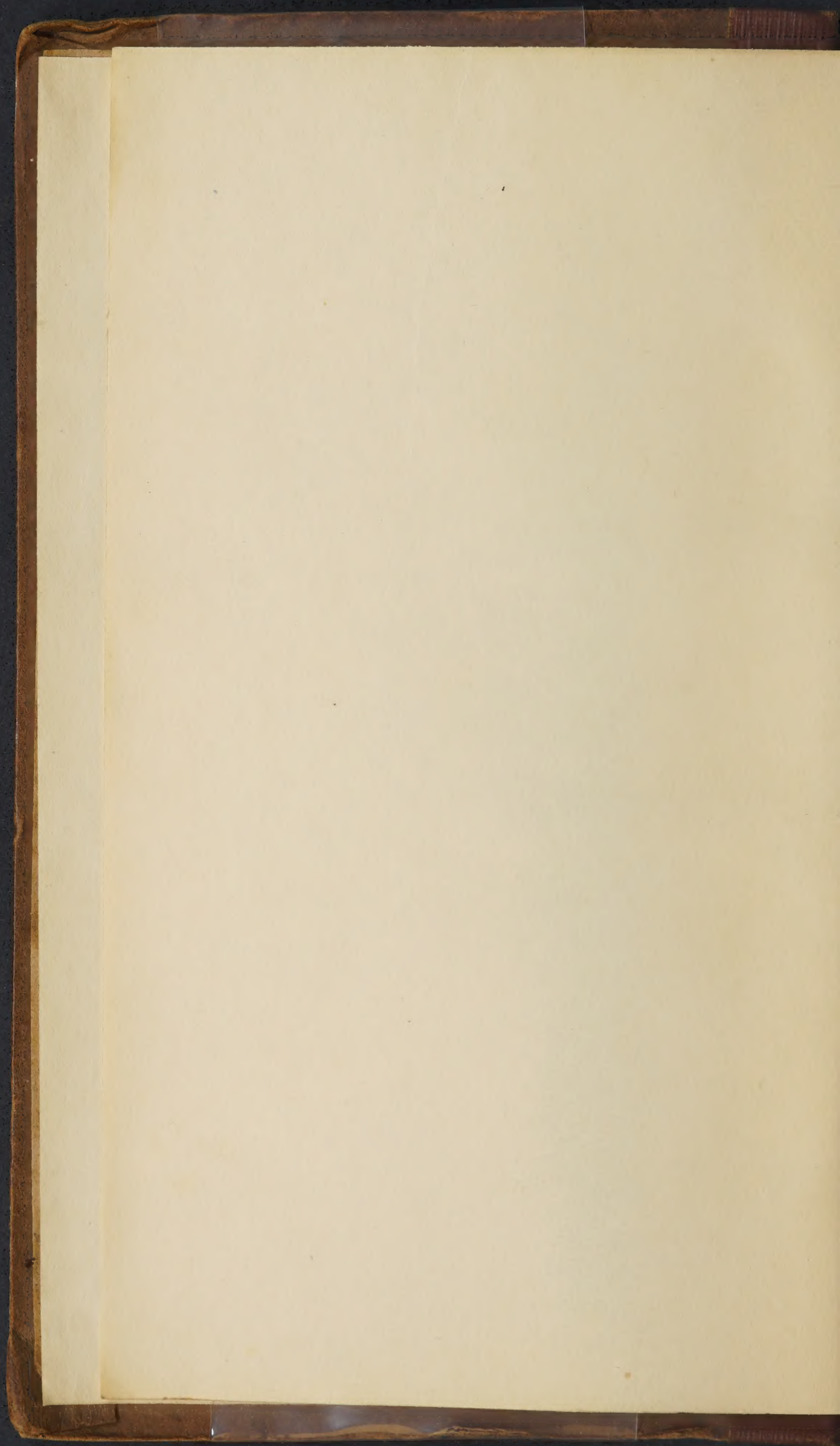
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CHARLES SAVILE ROUNDELL.









*Abraham . Newland, Esq.
Cashier of the Bank of England.*

Published July 11th 1808 by B. Crossly & C^o Stationers Court.

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PREFACE.

THE little piece of Biography now submitted to the attention of the Public, has no sudden vicissitudes of fortune, or deep involutions of distress powerfully to excite the sensibility of the reader. The potentates of the earth will not be brought under his view, to extort his admiration, attract his envy, or gratify his curiosity; but if by this narrative he will not learn how to become great, he may receive some hints, in a lesson of much higher importance, how to become happy. The history of those who have trodden the ordinary paths of life, and have proceeded in their course with increasing credit and usefulness, is more conducive to improvement, than the motley adventures of romance,

which are adapted to those only, “who, weary of themselves, have recourse to it as a pleasing dream of which, when they awake, they voluntarily dismiss the images from their minds.”

The habits of retirement in which Mr. Abraham Newland indulged, supply few singular incidents, curious circumstances, or interesting anecdotes: those that are contained in these pages, are contributions from some of his nearest friends, and if we have not always shewn them with the colouring partiality would be inclined to give them, it will be recollected, that fidelity is the best recommendation of history; and that if we owe respect to the memory of the dead, our regard for the living should teach us, that yet more respect is due to knowledge, to virtue, and to truth.

In a commercial country where the acquisition of wealth is the principal

object of ambition, and where the station and rank of every individual in society is much determined by his success or disappointment in this particular, it may be of some consequence to expose one or more of the channels by which opulence is secured; and he who facilitates such a discovery, will perhaps be of as much utility as the man who employs himself in recording the whispers of a drawing room, the disputes of a council table, or the factions of a camp.

Biography may be divided into two classes, public and private; and we are justly told, that many valuable observations on the conduct of human life may be drawn from those who have been beneficial to the world in either situation. The subject of these pages supported both a public and a private situation with credit and advantage: in selecting, therefore, the life of Mr.

Abraham Newland, we have had the opportunity of blending with our details, some account of the establishment with which he was connected for much more than half a century; and which is unquestionably the most splendid monument of commercial greatness raised by the labour and ingenuity of man in any part of the world. It might have been desireable that Mr. Newland, who was so intimately acquainted with the subject, should have himself shewn the progressive advances of that magnificent institution, which he must have unavoidably done, had he condescended to become his own biographer; yet numerous are the difficulties with which modesty has to encounter in such an undertaking, and in this criticising age, Cæsar himself would be again charged with carelessness and infidelity, and some Asinius Pollio would have arisen to misrepresent and defame the most faithful narrative.

For the purposes of this little work, the writer has had no occasion, in imitation of some modern biographers, to give a diffuse list of authorities printed and manuscript, nor has there been any motive to search the great libraries at Paris and Rome, in the hope of discovering some neglected composition, or latent anecdote, absolutely insignificant, but relatively important, as illustrative of some fact connected with the enquiry. The field of literature, as well as the field of battle, is said often to be the scene of cruelty, if not of slaughter, where the

“ teterrima belli
 “ Causa,”

instead of being the lovely Helen, or the more lovely Goddess Liberty, is frequently a letter, or an accent of some dead language. In our present pursuit

our readers will have no reason to feel alarm from such perilous conflicts ; they may proceed in the story with perfect tranquillity, and if from tædium they have nothing to apprehend, we, although possessing the proper solicitude for their recreation, shall be regardless of the rest.

THE LIFE OF
ABRAHAM NEWLAND, ESQ.
&c. &c.

IT is not an unpleasant task to record the annals of successful men, for whatever has been their pursuit, they have usually advanced towards it with a chearful step ; and the happiness of existence depends less upon the selection of the object we seek, than upon its attainment. We may regret that the highest moral and intellectual acquisitions were not the aim of the individual whose actions we relate ; that motives were not presented, to unfold his latent virtues, and to enflame his generous passions ; yet the history of the warmest heart is the tale of sorrow ; and he who begins his course with the fondest hopes, commonly terminates it with the keenest mortification. The felicity of life is the result of the comparison of the good and evil incident to it ; and if the

one be liberally bestowed, the other may be more abundantly supplied, and the poise may be in favour of him, whose joys and cares appear but the dust of the balance, which, after many successive vibrations, slowly preponderates with the former.

The subject of these pages, is a peaceful citizen. If we have no victories to applaud, we have no defeats to excuse; the scene, at least, is bloodless, and our compassion will not be painfully excited by the distresses of violated humanity. He was not only a peaceful, but a wealthy Citizen, and we shall not be ashamed to disclose his progress to riches, although the cynic may be inclined to decry that affluence, which he has neither the talent to acquire, or the wisdom to enjoy. In a commercial country, the expedients by which opulence is attained, will receive the notice of the prudent and the honourable; and the attention of the gay, and the thoughtless, will be often more beneficially directed to the votaries of successful industry, than to the favourites of hereditary wealth, who have obtained the goods of fortune without the exercise of that patient labour and tried

integrity which ought to precede the distributions of her bounty.

Whatever may have been the termination, the path to credit and fortune we have to describe, was smooth and easy. In the midst of the avocations of the busy and the lassitude of the indolent, he, whose story we record, moved onward in his course with a steady pace, neither turning to the right, or to the left, but plucked the fruit which fell in his way; then moderately indulging his appetite, he deposited the larger portion in his garner, to relieve the necessities of his friends, and to support the infirmities of his declining years.

Should we, in our narrative, discover no extraordinary effects of the social feelings, we should remember, that the man whose character we contemplate, sustained none of those nearest relations which conduce to cheer the solitudes of existence, and to expand the affections of the heart. If he were insensible to the pleasures, he was relieved from the anxieties of the married state, and if he were not, according to the sentiment of the American philosopher, a broad mark for hap-

piness, neither was he, in the language of the English Divine, a broad mark for misery.

In these pages, we have not to represent an individual whom, "the splendor of rank or the extent of capacity has placed upon the summits of human life;" but if his ambition presented to his mind no great designs, we have to deplore no great miscarriages; what he proposed to attain, he took the best means to acquire, and having gained the prize, he sat down contented with his reward, without disturbing the repose of his neighbours by the reserved superciliousness of wealth, or by the obtrusive insolence of prosperity.

MR. ABRAHAM NEWLAND was of obscure parents, but the humility of their situation did not prevent their fulfilling the most important duties to their numerous progeny. William Newland, the father, was a miller and baker, at Grove in Bucks. He had twenty-five children by two wives. Ann Arnold was the mother of the subject of these pages, who at the ceremony of baptism, received the patriarchal name of Abraham. He was born on the 23d of April, 1730, in Castle-

Street, Southwark. His father was of the established Church, Mrs. Newland was a non-conformist; but it does not appear that the difference of sentiments between them at all obstructed the harmony of their mutual intercourse, or the religious instruction of their offspring.

We are not friends to the puritanical polemics of Christmas pies and plumb-porridge, but we are advocates of that dissonance of opinion, without rancour or acrimony, in either party to the marriage contract, which indicates sanity and strength of intellect, a due respect for the sacred character of truth, and an admission of its superiority in all the relations of domestic and social life.

It will be in vain at this distance to look for anecdotes of the childhood of a person, however respectable, born under such circumstances; nor would the narratives of the cradle and the horn-book be at all interesting to the public. The infancy even of the heroes of antiquity, or of modern times, very much resembles that of others under less notorious circumstances; and if any material variations be given, any extraordinary presages announced,

they commonly tend more to exhibit the blindness and partiality of friends, and the ignorance and credulity of historians, than to record facts founded on truth and nature, and illustrative of the character of the human mind.

After the utmost diligence we have employed, we have not been enabled even to ascertain which was the seminary where our young calculator received the rudiments of his education. It was erroneously stated to us, that he was at school with the father of Mr. Astlet, (of whom we shall have occasion to speak hereafter) and we expected, by this information, to have traced the hand from which he derived those advantages, which became afterwards so conducive to his usefulness and prosperity. Wherever he received this early assistance, certain it is, that he made no inconsiderable proficiency in those common attainments, which are often the ground-work of future eminence in a trading country. He wrote a fair and legible hand, and he possessed great expertness in the application of the rules of arithmetic. In consequence of these acquisitions, and his orderly and industrious habits, we have no doubt that he was abund-

antly serviceable to his father in his business, with whom he continued until he was eighteen years old.

In 1748 he left home, and became the junior in that great public establishment which was subsequently, through life, the sphere of his activity.

It has been said, that during his early occupations at the Bank, he united with the profits of his situation, a stipend he derived as organist to one of the churches in the neighbourhood of Southwark. It is true, that he had a great fondness for music, and that the study of this art or science, (by which ever name it may be called) constituted the favourite diversion of his youth: but he pursued it entirely as an amateur, not as a professor; and we have reason to believe, that it abundantly contributed to form those habits of cheerfulness, which rarely deserted him through his protracted existence. It is probable, that engaged in sedentary employments, which rarely required any intenseness of application, the faculties of his mind would never have been called forth at the most favourable time, had not his latent energies been urged into action

by the fascinations of harmony. It has long since been discovered by the ingenious moralist, that there is that alliance between the several powers of the human mind, that whatever excites a vivid action in one, is likely to produce the same effect in the others.

Whatever might have been the charm with which music affected his mind at this period, it did not permanently preserve its influence over him, and late in life he entirely abandoned it. At the time to which we are now advert-
ing, it was his predominant delight, and it led him into a scene of dissipation, to which he was not naturally inclined. He frequented the playhouses, the opera, and the public concerts, and ran the circle of pleasure with a rapidity and delight not unusual with young men, who after the engagement of the morning are left to their own direction for the disposal of the remainder of the day, without the restraints of domestic intercourse and the salutary protection of the paternal roof.

Mr. NEWLAND applied his talents to the discharge of his engagement, as clerk in the Bank of England, in various gradations, progressively rising in the scale of the establishment, until

his faithfulness and abilities were rewarded in January 1782, by the appointment of Chief Cashier, with a liberal salary annexed to the situation. In this respectable office he continued, fulfilling the highest duties of that institution, both receiving and inspiring general confidence, until he retired. When he was nominated Chief Cashier, the accommodations in the Bank had been enlarged, and a suite of rooms was devoted to the reception of this principal servant of the establishment; and so much attached was he to his employment, and so punctually did he acquit himself in relation to it, that for five-and-twenty years, during which he was engaged, he never once slept out of the building.

We shall now notice some of the transactions of the Bank, in which Mr. Newland, if not principally instrumental, must be supposed to have been always consulted as a person of great knowledge and experience, warmly attached to the institution. But we shall be excused, if, in order to render the matter more intelligible, we notice a few circumstances respecting its original foundation.

In order to prevent the losses to which merchants would have been liable, particularly in small states, by the discharge of their bills in a variety of coins, the condition of payment in many foreign cities has been, that it should be made by a transfer in the books of a certain bank, under the protection of the government, such bank being always obliged to pay in money according to the standard of the state*. "The Banks of Venice, Genoa, Amsterdam, Hamburgh, and Nuremburgh, seem to have been all originally established with this view, though some of them may have afterwards been made subservient to other purposes. The money of such banks being better than the common cur-

*"The currency of a great state, such as France or England, generally consists almost entirely of its own coin. Should this currency be at any time therefore worn, clipt, or otherwise degraded below its standard value, the state, by a reformation of its coin, can easily re-establish its currency; but the currency of a small state, such as Genoa, or Hamburg, can seldom altogether consist of its own coin, but must be made up, in a great measure, of the coins of all the neighbouring states, with which its inhabitants have a continual intercourse. Such a state, therefore, by reforming its coin, will not always be able to reform its currency. If foreign bills of exchange are paid in this currency, the uncertain value of any sum, of what is in its own nature so uncertain, must render the exchange always very much against such a state, its currency being, in all foreign states, necessarily valued even below what it is worth." *Smith's Wealth of Nations*, vol. II. p. 292.

rency of the country, necessarily bore an agio which was greater or smaller, according as the currency was supposed to be more or less depressed below the standard of the state."

At the time the Bank of England was established, only four great Banks existed in Europe; one in Holland, one in Germany, and two in Italy; they were at Amsterdam, Hamburg, Venice, and Genoa. All but the Genoese Bank were formed solely for the convenience of merchants; the latter was not only for that general purpose, but was also founded for the immediate emolument of the individual proprietors, and after this model, the Bank of England was established in 1694. The commission was issued in the reign of William and Mary, on the 15th of June of that year. The necessity of some institution of this kind had been long felt, and Mr. William Paterson had travelled into several commercial countries in 1691, and the following years, to examine into their banking establishments. This gentleman had communicated to Mr. Michael Godfrey, the progress and result of his discoveries. The original foundation of a public Bank is, however, claimed by Mr. John Briscoe, and the

grounds on which he makes this pretension, are stated in a letter preceding his "Advice to a Freeholder." It was in opposition to the National Land Bank that the Bank of England was commenced.

These two rival sisters occasioned some wit, and much abuse from the writers of the times, and among other things was published, "The Trial and Condemnation of the Trustees of the Land Bank at Exeter Exchange for murdering the Bank of England at Grocer's Hall." It begins thus:—"Know all our creditors by these presents, that we, the Governor and Company of the Bank of England, being weak in body through the wounds received by the Land Bank at Exeter Exchange, (to whom we lay our death) *but of as good sense as ever we were*, finding ourselves impaired in our credit and reputation, and despairing of recovery, do make our last will and testament. First, we bequeath our soul to the Devil, in order to serve the public out of our Creditor's money; and as to the qualities of our mind, we dispose of them as follows: viz. All our skill in foreign exchanges, and our probity and candour in making up the accounts of the loss thereof, we

give to all and every of our Directors (except four or five) jointly and severally to hold to them and their successors in Tail Bank, as heir looms and indelible monuments of their skill and probity for ever. All our obstinacy and blunders we give to our present governor, upon trust, that he shall employ one equal third part thereof, as Lord Mayor of the City of London; one other equal third part as one of the Lords of the Admiralty, and the other third part as the Governor of the Bank of England. All our oaths and impudence, &c. we give unto our present Governor, &c."

The epitaph is a curious specimen of the humour of the times—

"Here lies

The Body of

THE BANK OF ENGLAND,

who was born in the year 1694, and died on May 5th, 1696, in the third year of its age.

"They had issue legitimate by their Common Seal, one million two hundred thousand, called Bank Bills, and by their Cashier two millions sons of wh——s, called Speed's Notes."

“ The Land Bank was part
Of the Jacobite’s art,
This I said, and so I’ll have it ;
And to make it more full,
I did (I know where)
Produce a plot of affidavit.

For when I cast a spell,
And pretend to foretell,
A thing within my own reach,
Then bring it about,
Which is easy to do it,
I pass both for statesman and witch.

I’ll have a law made,
None shall set up the trade,
To borrow or lend money ;
But they at Grocer’s shop,
Who are at full stop,
And neither pay all, nor any.”

Mr. William Paterson, whom we before mentioned, notices the political motives for the institution of the Bank, in an ingenious book, called—“ The Conferences on the Public Debts by the Wednesday’s Club in Friday Street.” We are there told of a condition of public financiers, which will greatly astonish the present generation, conversant in the facili-

ties of modern ingenuity for acquiring twenty or thirty millions sterling, at the interview of a few minutes. "So greatly were the ministerial people distressed (it is said) for raising the annual supplies, as to stoop to solicitations to the London Common Council for the borrowing of only one or two hundred-thousand pounds at a time, on the first payment of the land-tax; as particular common councilmen did to the private inhabitants in their respective wards, going from house to house for the loan of money."

Subsequent to the appearance of that publication, but not until after some serious difficulties had been encountered, the act was passed in the 5th and 6th of William and Mary, (Ch. 20.) A subscription was then opened, and completed in ten days, to raise one million, two hundred thousand pounds, and one quarter of that sum, which was then deemed to be a large advance, was paid down on the instant.

By the act of parliament and charter, the Bank was empowered to lend money on pawns and pledges, and in pursuance of this arrangement, on the 6th of May, 1695, the

following advertisement appeared in the London Gazette :

“ The Court of Directors of the Bank of England, give notice, that they will lend money on plate, lead, tin, copper, steel, and iron, at 4 per cent. per annum.”

It is well known, that whatever might have been the original design, little use has been made of this privilege, in which the interest of the Bank, and the convenience of the public were both intended to be consulted. The concerns of the institution have been principally confined to the following objects :—

1. Dealing in gold and silver bullion, and coin.
2. Circulating sealed bills, bearing interest, (long since discontinued.)
3. Issuing cash notes on demand, bearing no interest.
4. Discounting bills of exchange and promissory notes.
5. Advancing money to the public, on the credit of acts of parliament.
6. Transacting business in the national stocks, as public accountants*.

* This was the first instance of the management of a national fund in England, which did not fall under the immediate direction of the crown officers of the Exchequer.

Reasons, it is not here necessary to explain, induced the increase of Bank Stock, which took place on the 22d of February, 1708-9, at Mercer's hall, where Subscription Books were opened, and the stock was doubled, The Bank had then overcome all its difficulties, and the stock was sold at the advance of 17 per cent.*

* The ill-judged abortive scheme of a Land Bank in England, (says Mr. David Macpherson) with the deficient funds for the annual supplies; the bad state of the silver coin, more especially in the years 1695 and 1696, and the ill humours contracted thereby, and by the disaffection to the government, had brought the infant Bank of England into such difficulty and distress, that their cash notes were now at a discount of 15 to 20 per cent: their credit being so low, as to be necessitated to pay those notes only by 10 per cent. once a fortnight, and at length to pay only 3 per cent. on those notes once in 3 months. This distress was occasioned by the Bank having taken the clipped and diminished silver money at the legal or par value by tale, and guineas at 30s. for which they issued their notes payable on demand, and not having received from the mint a sufficient quantity of the new silver coin to answer the daily demands of them for their further outstanding notes. The Directors were thereupon obliged to make two different calls of 20 per cent. each on their members in the year 1696, and to issue Bank sealed bills at 6 per cent. interest, in exchange for Bank cash notes, and to advertise for the conveniency of trade, whilst the silver was re-coining, that any person might keep an account with the Bank and transfer any sum under 5l. from his own to another man's account; which was getting into the method of the Bank of Amsterdam; yet such was the distress of the times, that on the 6th of May, 1697, the Bank advertised in the Gazette for the defaulters in the last call of 20 per cent, which should have been paid by the 10th of November, 1696, and also those indebted to

We are now approaching the time when Mr. Newland commenced his co-operation, in a humble capacity, in this great national undertaking; for it was not very long before the period of his introduction, that the edifice at Grocer's Hall, where the business had been managed, was found insufficient for the purpose of these augmenting concerns; and some disposition to public notice and aggrandizement was manifested, not unfrequent in the directors of such institutions.

On the 20th of January 1732, a General Court of the new incorporation, unanimously resolved to build a hall and office in Threadneedle-street, and to erect a statue to King William, to be placed in some conspicuous part of the edifice. Messrs. Dunn and Towns-

the Bank upon mortgages, pawns, notes, bills, or other securities, to pay in the said 20 per cent. and the principal and interest of those securities by the 1st of June next. Even so late as the 21st of June, 1679, we see in a newspaper called the Postman, a paragraph, viz. "Bank notes were yesterday between 13 and 14 discount." Notwithstanding the great difficulties the Bank had then to struggle with, in a few months after, by the recoinage being completed, and by the second, or engraftment subscription of the tallies, orders and notes to the amount of £5,160,495,14s,9½, the credit of the Bank was quite restored with the greatest applause to the conductors of it.

hend, who were then employed at Greenwich hospital, entered into a contract with the Directors, to complete the work prior to the expiration of the lease at Grocer's Hall, in Michaelmas 1733, and Sir John Houblon's house was the first demolished to make room for the foundation of this structure. It was not until the 5th of June following, that the building was occupied, and on the 1st of January, 1735, a marble statue of King William was placed in the Great Hall of the Bank, and three vollies were fired, in honour of the occasion, by the servants of the establishment.

At the time when the edifice was raised, the beauties of Grecian architecture were well understood in this country; Inigo Jones had built the Banquetting House at Whitehall a century before, and St. Paul's Cathedral, that sublime monument of the genius of Sir Christopher Wren, had recently been erected. The artist who succeeded Messrs. Dunn and Townshend, found the plan to be erroneous in its commencement, but did not at all improve the effect by their subsequent additions. We have an Ionic centre with a rustic basement,

and diminutive columns, with arches and pediments of the Corinthian order, forming the expanded wings of the building. Some of the alterations in the interior are striking and respectable. The Court Room was finished by Sir Robert Taylor, and is of the composite order. At the east and west extremities are double columniations, with arcades supporting a horizontal stucco ceiling, richly ornamented. The windows, which are on the south side, discover St. Christopher le Stock's Church-yard, which is planted with shrubs and trees, and forms a pleasant area. The west end opens by a folding-door into an octagon apartment called the Committee-Room. The Governor's Room is square, and is decorated with the statue of George the Third, where there is a large painting of the Bank, Bank Buildings, the Exchange and Cornhill, by Marlow; and a very fine plan of the structure. In the anti-room are two other pictures, the one of Daniel Race, a very diminutive figure habited in black, painted by order of the Directors, as a testimony of their approbation of the services of the person whom it represents. The other is the portrait of the subject of our narrative,

and the motive which led to this honourable distinction, it is wholly unnecessary here to explain.

Nearly all these changes, both in the exterior and internal parts of the edifice, have been made during the engagement of Mr. Abraham Newland, but the original occupation was fourteen years prior to his introduction there. He had been about seven years in the office of Chief Cashier, when the Bank became possessed of the whole parish of St. Christopher le Stock, excepting the houses of seven inhabitants on the west side of Princes-street, and a few offices in the Royal Exchange; so that five sixths of the rates were paid out of the funds of the institution.

Two years before Mr. Newland became Chief Cashier, the Directors had received a serious lesson, to convince them of the importance of obtaining the site of the parochial church. That building might have been converted into a station, from which an attack upon the Bank could have been made by a dexterous engineer, assisted by the rabble, who would have been irresistible, unless repelled by a very considerable military force. An

Act had been passed in favour of the Roman Catholics, intituled, "An Act for relieving his Majesty's subjects professing the popish religion from certain penalties and disabilities imposed on them, by an Act made in the 11th and 12th years of the reign of William the Third, intituled, "An Act for the further preventing the growth of Popery."

The original motion was made by Sir George Saville, and was received with universal approbation; and a Bill was accordingly brought in, and passed through both Houses without a single negative. The extension of the same relief to the catholics of Scotland, was also intended; and in consequence of the rumour of such a design, the furious spirit of bigotry began to manifest itself in that part of the kingdom, and soon afterwards broke out in the most violent and cruel acts directed against the papists of Edinburgh, Glasgow, and other places. On account of such excesses, the measure in Parliament, with respect to Scotland, was abandoned, and these outrages seem to have given the first rise to the "Protestant Association" in England.

As our object is to shew the critical situation

of the establishment to which Mr. Newland belonged in these perilous times, it would be beside our purpose to trace the progress of the rioters, or the motives in which the tumult originated. It will be sufficient to say, that Lord George Gordon, who had been active among the mal-contents in Scotland, on Monday the 29th of May 1780, presided at a meeting held in Coachmaker's Hall, at which it was unanimously resolved, "That the whole body of the Protestant Association do attend in St. George's Fields on Friday next, at 10 o'clock in the morning, to accompany his Lordship to the House of Commons, on the delivery of the Protestant Petition."

Several thousands were assembled in that place at the time appointed, and at about half past two they had arrived at the doors of the Houses of Parliament, where they gave a general shout.

Lord George Gordon informed the Commons, that he had before him a petition signed by nearly a hundred and twenty thousand of his Majesty's protestant subjects, praying the repeal of the act passed in favour of the Roman Catholics. Leave was given, and the petition

was brought up. On the same day, the riots commenced, chapels were stripped of the ornaments and insignia of religion, and private dwellings did not escape the fury of the multitude. On the Monday following, the same violence was resumed, and on 'Tuesday, all the military in London were ordered on duty at the Tower, St. James's, St. George's Fields, before both the houses of Parliament, and in other situations. About six in the evening, the disturbances were approaching the height. Newgate was destroyed, and the prisoners were set free to join the mal-contents. Notice was on the Wednesday sent round to the King's Bench and the Fleet, stating at what time the multitude would arrive, in order to set free the inhabitants of those jails and to reduce them to ashes. They were punctual to their appointment, and as soon as the day was drawing to a close, the flames were ascending, and clouds of smoke were rolling over the capital from the prisons of the Fleet, the King's Bench, and New Bridewell; and six and thirty fires were blazing at one time in the several quarters of the city.

In the general confusion into which London was thrown, with the accession of force acquired by the mob, by the manumission of 2000 prisoners, it was not to be expected that the powerful temptation of the treasures of the Bank would be resisted. In the course of this day, two attacks were made upon it, but, fortunately, at this critical time, a party of military had been conveyed within its walls, and a respectable force paraded before the building. The populace, which had succeeded in breaking down the iron doors and strong masonry of Newgate, was intimidated by the firm appearance of the military planted before the Bank : the assailants were feebly supported, and easily resisted. Several of the mob were killed, and many who escaped with life, were grievously wounded in the unequal conflict, during these skirmishes.

Had the Bank been the first object of the rage of the insurgents, instead of the houses, chapels, and prisons, there can be no doubt but that they would have succeeded in their attempt, and the mischievous effects would have been dreadful and incalculable. The church of St. Christopher le Stock, which be-

came the property of the Bank the following year, would have afforded complete protection to the assailants, the vast treasures would have been ransacked and plundered, the spacious edifice would have been destroyed, and the means of future hostility and depredation throughout the kingdom would have been supplied.

On the Tuesday, an order had been issued for the military to act without waiting for directions from the civil magistrates, and to use force for dispersing the illegal and tumultuous assemblies of the people.

The guards not having been found sufficient in number to defend the various districts of the Metropolis, all the military, within the distance of thirty miles, were sent for. Before the end of the week, there were, at least, 20,000 troops in London, which were placed at the Royal Palaces and at the Bank, and subsequently, in situations of inferior importance. On the Friday, order was restored in London, but the public tranquillity was still interrupted at Bath, Hull, and various other places.

We shall now proceed to state the arrange-

ments and alterations, legislative, corporative, and official, that were introduced in the time of the agency of Mr. Newland, many of which are to be attributed to his immediate influence and personal recommendation. We mean no disrespect to the honourable persons who have successively held the highest rank in the Company of the Bank of England, but the Directors must be considered as a fluctuating body, occasionally assisting this great concern by their wisdom and experience, while Mr. Newland occupied an important station there, for, considerably more than half a century. He having devoted a long and laborious life to this great national undertaking, was consulted as the senior of the institution on every matter of consequence.

In 1747, a year previous to the time of Mr. Newland, the Dividends of the Bank of England had been reduced from five and a half to five per cent. per annum.* About six years afterwards, (in April 1753,) they were again reduced from five to four and a half per cent. per annum; the lowest state of the divi-

* Allardyce's Address to the Proprietors of the Bank.

dends, and at which they continued till October 1764.*

There being an unusual scarcity of gold, in 1759, partly occasioned by much money having been carried out of the nation, on account of our expensive wars in Germany and America, and partly by the large demand for the current service of the year; the Bank of England, for the better accommodation of the public in their receipts and payments, in April, in that year, issued small cash notes for 15*l.* and for 10*l.*

In January 1764, the charter of the Bank of England being nearly expired, an agreement was entered into between the Government and the Directors, by which the latter agreed to pay cash for Exchequer Bills to the amount of a million, for which they were to have interest at the rate of three per cent. till the year 1766, when the bills were to be discharged. They were also to pay 110,000*l.* for which they were to receive neither interest or repayment; but in consideration of this concession, they were to be continued a body corporate, with all their advantages as before,

* Allardyce's Address to the Proprietors of the Bank.

and to the exclusion of every other body politic and partnership, exceeding six persons dealing as bankers, in England, till the redemption of the debt due to them by Government, and one year's notice after the first day of August, 1786.

The contract was soon after confirmed by an Act of Parliament, wherein it was made felony without benefit of Clergy, to forge powers of attorney or other authorities for recovering dividends, transferring or selling stock ; or to personate the proprietor of any stock, for such purpose. [4 Geo. 3. c. 25.]

On the 24th of June, 1773, the Bank of England gave notice, that the Company would no longer discount bills at a lower rate than 5 per cent. ; and the same year, a statute was passed, to prevent impositions upon the ignorant by notes made in resemblance of Bank notes, by which no person was allowed to prepare any engraved bill or promissory note, containing the words *Bank of England*, or *Bank Post Bill*, or expressing any sum in white letters on a black ground, under the penalty of imprisonment for six months. [13 Geo. 3. c. 79.]

On the 6th of June, 1781, a petition was presented from the Governor, Sub-Governor, and Directors of the Company of the Bank of England, which was read and referred to a Committee of the whole House. The object of this petition was, for the renewal of their exclusive privileges to the first of August, 1812, and a notice of twelve months after that time ; upon which notice, and the payment of the money advanced to the Public, the Bank Company might be dissolved.

Lord North said on this occasion, that in the year 1694, the Company of the Bank was first incorporated ; their charter was renewed in 1696 ; it was renewed again in the 13th of William and Mary ; a third time, in the eighth year of the reign of Queen Anne ; and a fourth time, for a considerable number of years shortly afterwards ; and a fifth time, in 1764. His Lordship particularly stated, the advantages gained by the public on each renewal ; all of which, previous to the renewal of 1764, were rather matters of temporary convenience and accommodation, than of real profit and pecuniary emolument.—The agreement, said his Lordship, of 1764,

was made by Mr. Grenville, and the advantages that resulted to the Public by that bargain, were first 110,000*l.* and another concession of 30,000*l.* which made in the whole an emolument of 140,000*l.* The proposal to be accepted or rejected was, in consideration of the renewal of the charter, the loan of 2,000,000*l.* sterling, for three years, at an interest of 3 per cent. Lord North dwelt for a considerable time on the several bargains which had taken place on the different occasions of renewal of the Bank charter, and stated the rise and fall of the interest of money at the various periods of time, when each renewal was made.

His Lordship next examined the mutual advantages reaped by the Bank and the public; the former he said, by prudent management, by judicious conduct, wise plans and punctuality in establishing its own credit, had contributed very essentially to promote the national credit, a matter equally advantageous to this country at home and abroad.

The benefit now sought for, (continued his Lordship) was on the part of the Bank,

a renewal of the charter ; and it clearly appeared from their dividend, that the profit of the Company amounted annually to about 239,000*l*. The question therefore was, what the Public sold, and how much of the 239,000*l*. annual profits could fairly be stated to arise from the charter ? Here his Lordship adverted to the nature of the Bank business ; the manner in which it was conducted, and the expences to which it was liable. He argued from the whole, that a great part of the 239,000*l*. arose from the ordinary profits of the business, which would result to them as a private Banking Company, whether the charter were renewed or not.

Sir George Saville in answer said, that the noble Lord had spoken of the connection that subsisted between the public and the Bank, with a degree of warmth, as if he had been describing conjugal love, and enlarging upon the affection that subsisted between a man and his wife. To look at the subject in that view, he desired to know if the public were about to take a new wife ; whether it was fair to say, your great grandfather married

the great grandmother of the young lady without a fortune ; your grandfather also married her grandmother without a fortune ; your father married her mother with a small fortune ; and therefore you ought to marry the daughter with a very trifling increase of portion ? Surely it was much fairer for the public to say, “ Aye, indeed, were my ancestors so unprovident ? I will not copy their example. The young lady’s father is grown rich, he can afford to give his daughter a good fortune, and a good fortune I will have, or I will not marry the young lady.”

The Bank (continued he) wanted a renewal of their charter for 21 years. The question then was, how much of that 239,000*l.* arose from their charter ? Sir George said, he would assume, that the whole did, and put the *onus probandi* that it did not, upon the Bank. He then, upon that assumption, built an argument, that the public were about to sell several millions for the paltry sum of 150,000*l.* After discussing this for some time, he said, that the Bank business was to him something like art-magic. They coined their flimsy pieces of paper ; the King

coined solid weighty pieces of money, and that money was made of sterling gold and silver; yet the thin paper, with certain magical circles drawn on it, was deemed the most valuable, and men were most pleased with obtaining it. He supposed the Directors coined this paper at will, so that in fact it cost them nothing to lend the Public 2,000,000*l*.

After the Secretary at War, Mr. Hussey, Mr. Jackson, Mr. Fox, and Sir Grey Cooper, had spoken,

Mr. Dempster said, that when the Bank was first instituted, in 1694, so little acquainted were the Directors with banking business, that they issued notes, not payable at sight, but payable at a certain date; and when they became due, having no funds to answer the bills, the whole system was shaken, and the public were obliged to interfere and restore it. Mr. Dempster said, as the Directors laid by one half per cent. for contingencies, he should estimate their profits so much higher than their dividends, and therefore he stated them at 290,000*l*. He reasoned upon this statement, and urged the postpone-

ment of any bargain for the present, by a variety of arguments.

Mr. Pulteney, Mr. Samuel Smith jun. and Mr. Byng, were succeeded by

Mr. Ewer, Governor of the Bank, who said that he should have thought himself little worthy of that confidence, which the proprietors of Bank Stock did him the honour to place in him, if he did not stand up in their defence, and declare as a Member of Parliament, that the proposition held out by the Directors of the Bank, was such as he could meet on public ground. Were the case otherwise, he should be ashamed to shew his face in that house, because it was well known, that he had some hand in the negociation that had taken place, and in penning the proposition which the Noble Lord had mentioned. He thought the Bank offered fairly and handsomely, when they tendered the public a loan of two millions, at three per cent. interest, for three years ; but if the argument, that the Public had a right to a fair equivalent to the entire profits of the Bank were true ; in that case, he was

ready to admit, that he had proposed a bad and an unfair bargain for the public. He trusted, however, that no gentleman would seriously maintain, that the public had any claim to the whole of those profits which arose from the industry, the hazard, and the management of the Directors of the Bank. Mr. Ewer concluded with saying, that he thought the present proposition a beneficial bargain to the public, and the terms of it, he was convinced, were the best that the Bank could possibly accede to.

In the sequel, the conditions were approved of, and ratified by Parliament.* [21 Geo. 3. c. 60.]

On September the 23d, 1781, at a meeting of the Proprietors of Bank Stock, it was determined to raise their Dividends from five and a half, to six per cent.; and also to make an addition of 8 per cent. to their capital stock, by four instalments, to be completed on the 15th of February, 1782, by which the capital of the Bank was increased from 10,780,000*l.* to 11,642,400*l.*

* The repayment of the 2,000,000*l.* was postponed by two subsequent statutes.

On March 19th, 1788, a general Court of the Proprietors of the Bank of England, declared the ensuing dividends upon their capital Stock to be at the rate of seven per cent. per annum.

By 31 Geo. 3. c. 25. § 5. (and also by 23 Geo. 3. c. 49). Bank Notes and Bills were exempted from the duties charged on Bills of Exchange and Promissory Notes, by the annual payment of 12,000*l.* to the Exchequer.

In 1791, the Dividends due upon the Public Funds which lay unclaimed in the Bank of England, had accumulated to 660,000*l.* There can be no doubt that the sum which a creditor neglects to call for should remain with the debtor, and by no means with his agent or banker; and therefore Mr. Pitt, the Chancellor of the Exchequer, proposed, that 500,000*l.* of that dormant money should be applied to the public service. The plan was opposed by the Directors of the Bank, as dangerous to public credit, and the matter was compromised by the acceptance for the national account of that sum, as a loan from the Bank without interest. There was a further condition, that a balance of the

public money, not less than 600,000*l*. (reckoning this loan of 500,000*l*. as part of it) should at all times remain in the hands of the Bank, and that the annual allowance to the Bank for the management of the public debt, should continue at the rate of 450*l*. for every million of capital. [31 Geo. 3. c. 33.]

The Government of Ireland made loans in the years 1794 and 1795, with an option to the subscribers to receive their dividends, or transfer their stock in London; and the Bank of England agreed to undertake the management of the payments and transfers of such part of them as should be payable in London. This agreement was sanctioned by Parliament. [35 Geo. 3. c. 66.]

On the 31st of December, 1795, the following Resolutions of the Court of Directors, respecting discounts, was passed.

“At a Court of Directors at the Bank, on Thursday 31st December, 1795.

“*Resolved,*

“That the following notice be stuck up in the Discount Office:

“ Bank of England, 31st of Dec. 1795.

“Pursuant to an Order of the Court of Directors, Notice is hereby given,

“That no Bills will be taken in for discount at this office, after 12 o'clock at noon, or Notes after 12 o'clock on Wednesday.

“That in future, whenever the Bills sent in for discount, shall on any day amount to a larger sum than it shall be resolved to discount on that day, a *pro rata* proportion of such bills in each parcel as are not otherwise objectionable, will be returned to the person sending in the same, without regard to the respectability of the party sending in the Bills, or the solidity of the Bills themselves.

“The same regulation will be observed as to Notes.

“ ROBERT BEST,

“ Assistant Secretary.”*

By the 37th Geo. 3. c. 28. all notes issued by the Bank after March 2d, 1797, for sums under five pounds, were declared valid. We shall now pass over matters of

* Vide Report of the Lords Committee of Secrecy.—Ordered to be printed, 28th of April, 1797.

minor regulation, and proceed to the circumstances which led to the restriction of the Bank payments in specie, on the 27th February, 1797, introducing, as we advance, the examinations of Mr. Abraham Newland before the Lords Committee, in whose replies, a luminous view is given of the concerns of the Bank, and the pecuniary matters connected with it, at that critical period.

On the 8th of October, 1795, the price of bullion had been raised to four guineas per ounce, when our gold coin was at 3*l.* 17*s.* 10 $\frac{1}{2}$, for the same weight. It is evident, from this comparative state of bullion and coin, that the gold currency of the country would be exported to an alarming extent. The causes of this advance in bullion, were the expensive operations of the war, the loans to the emperor of Germany, subsidies to foreign princes, and payments in bullion to foreigners for the freights and cargoes of neutral ships captured. In December, 1794, the Directors of the Bank had been repeatedly expressing to the Chancellor of the Exchequer their uneasiness on account of the magnitude of the sums drawn from the Bank for the service of government, and anx-

iously requiring payment, or at least, a considerable reduction of the debt. They even resolved to limit their advances upon treasury bills to the sum of 500,000*l*. and they requested of Mr. Pitt to make his arrangements, so as not to have occasion to draw on them for any sum beyond that amount. Finally, they acquainted him (30th of July, 1795) that they were determined to give orders to their cashiers to refuse payment of any treasury bills, which would extend the advance beyond that sum. Notwithstanding, the Chancellor of the Exchequer obtained further anticipations from them, which were granted with extreme reluctance on their part, on his pressing solicitation, and statement, that serious embarrassments would arise to the public service, if the Bank refused.

It would be tedious to enumerate all the applications of the Governors of the Bank to the prime minister, urging a speedy diminution of the advance made by the Bank, and deprecating further demands. It is, perhaps, sufficient to say, that on the 10th of February, 1797, the government was indebted to the

Bank, according to a statement delivered to Mr. Pitt, as follows :

Arrears of advance on land and	
malt taxes, 1794	£337,000
Ditto Ditto, 1795	491,000
Ditto Ditto, 1796	2,392,000
Exchequer Bills on vote credit	968,800
Ditto on consolidated fund, 1796	1,323,000
Treasury Bills paid at the Bank	1,674,645
	7,186,445
Besides arrears of interest due, &c.	400,000
	£7,586,445

The Directors represented to the Minister, that if the loan of £1,500,000, to be raised in this country for Ireland, which was then in contemplation, should proceed, the greatest part of it would be remitted in hard cash, which would bring ruin upon the Bank, and probably compel them to shut their doors ; and that at any rate, they must diminish their advances to the treasury, and lessen the customary accommodation to the merchants in the way of discount.

About this time, there was some apprehen-

sion of an invasion of the island by France, and it was supposed, that many people in all parts of the country were desirous of securing as much as possible of their property in gold coin, in their own possession. Certain it is, that very heavy demands were made upon the country banks, several of which were obliged to stop all cash payments. Thus situated, the provincial banks were constrained to make large demands for specie upon the bankers in London who were their correspondents, so that the latter were compelled to drain very large sums in hard cash from the Bank. Particularly the week beginning with the 20th of February, the demands exceeded any former period, and on the Friday and Saturday they were larger than those of the four preceding days.

On Friday (24th) the Committee composed of the whole Court of Directors, alarmed at the rapid diminution of the cash in their coffers, desired the deputy governor and Mr. Bosanquet to wait on Mr. Pitt, to represent to him the dreadful drain of their cash, and to ask him how far he thought the Bank might continue paying specie, and when he would think it necessary to interfere before their coin was so far

reduced, as to be detrimental to the immediate service of the state.

At this alarming crisis, the King was requested to come from Windsor to assist at the Privy Council; and on Sunday (the 26th) a Council was accordingly held at St. James's; and another meeting immediately afterwards in Downing Street, between the members of the administration, and the Governor, Deputy Governor, Mr. Thornton, Mr. Bosanquet, &c. Directors of the Bank. The following order of Privy Council sent to the Bank was the result of these conferences:

“At a Council Chamber, Whitehall, February 26th, 1797,

“By the Lords of his Majesty's Most Honourable Privy Council—

“Present—The Lord Chancellor.

Lord President.

Duke of Portland.

Marquis Cornwallis.

Earl Spenser.

Earl of Liverpool,

Lord Grenville.

Mr. Chancellor of the Exchequer.

“Upon the representation of the Chancellor of

the Exchequer, stating, that from the result of the information which he has received, and of the enquiries which it has been his duty to make, respecting the effect of the unusual demand for specie that has been made upon the metropolis, in consequence of ill-founded or exaggerated alarms in different parts of the country, it appears, that unless some measure is immediately taken, there may be reason to apprehend a want of a sufficient supply of cash to answer the exigencies of the public service : It is the unanimous opinion of the Board, that it is indispensably necessary for the public service, that the Directors of the Bank of England should forbear issuing any cash in payment, until the sense of Parliament can be taken on that subject, and the proper measures adopted thereupon for maintaining the means of circulation, and supporting the public and commercial credit of the kingdom at this important conjuncture ; and it is ordered, that a copy of this minute be transmitted to the Directors of the Bank of England, and they are hereby required, on the grounds of the exigency of the case, to conform themselves thereto, until the sense of Parliament can be taken, as aforesaid.

“(Signed) W. FAWKENER.”

On Monday the following notice was published by the Directors :

“ Bank of England, February 27th, 1797.

“ In consequence of an order of His Majesty's Privy Council, notified to the Bank last night, a copy of which is hereunto annexed,

“ The Governor, Deputy Governor, and Directors of the Bank of England, think it their duty to inform the proprietors of Bank Stock, as well as the public at large, that the general concerns of the Bank are in the most affluent and flourishing situation, and such as to preclude every doubt as to the security of its notes.

“ The Directors mean to continue their usual discounts for the accommodation of the commercial interest, paying the amount in Bank notes ; and the dividend warrants will be paid in the same manner.

“ (Signed) FRANCIS MARTIN,
“ Secretary,”

To this circular notice, was subjoined a copy of the Order in Council.

On the same day, a meeting was held at the Mansion House, at which the Lord Mayor

presided, when the following resolution was passed :

“ Resolved unanimously—That we, the undersigned, being highly sensible how necessary the preservation of public credit is at this time, do most readily hereby declare, that we will not refuse to receive Bank Notes in payment of any sum of money to be paid to us; and we will use our utmost endeavours to make all our payments in the same manner.”

Brook Watson, Esq. the Lord Mayor, and the gentlemen attending, signed this resolution, which being left for further names, in a few days it was subscribed by above three thousand of the principal bankers, merchants, and traders.

On the following day, a paper, nearly similar, was signed and published by the Lords of the Privy Council, and by this spirited conduct, in a very short time, confidence was perfectly restored.

Subsequently, a Committee of Secrecy was appointed by the House of Lords, “ to examine and state the total amount of outstanding demands on the Bank of England, and likewise of the funds for discharging the same ; and

to report the result thereof to the House, together with its opinion on the necessity of providing for the confirmation, and continuance of measures taken in pursuance of the minute of Council on the 26th of February preceding.

Before this Committee, on the 28th of March, Mr. Abraham Newland was called to assist their Lordships by his long and extensive experience.

The Lord President having taken the chair, and Mr. Newland attending, he underwent the following examination, after delivering an account of Treasury Bills due to the Bank at the end of each month, subsequent to the 6th of January, 1795, and of sums repaid to the Bank in each month, since that time.

Q. What is your employment at the Bank?

A. I am chief cashier, and superintend many of the departments therein.

Q. Will you explain to the Committee the manner in which business is conducted between the Bank and the Exchequer?

A. When application is made from the Lords of the Treasury to the Bank, to advance money on the land-tax, malt duties, vote of

credit, or any other service, the rate of interest is then adjusted ; after this, the Lords of the Treasury direct issues, either out of the land, malt, vote of credit on the public money, to be paid for the use of the army, navy, ordnance, or a variety of other services upon which credit is given to the paymaster of the army, navy, ordnance, &c. to the amount of the sum issued for that particular service, and for which the paymasters have a credit given them in their Bank books, and for which the Bank receives as many Exchequer bills of 1000*l.* each, as the said sum amounts to; which, when done, the paymasters draw on the Bank for the sum carried to the credit of their account. If the sum is a fractional part of 1000*l.* the difference is made up in cash. If monies are issued to the paymasters of the army, navy, &c. or other persons, for any other services out of monies remaining in the teller's chest, then the tellers return to the clerk of the Bank as many Exchequer bills of 1000*l.* each, as they have given credit for in the books of the paymasters, or that they have given Bank notes for. If the parties should chuse to take Bank notes instead of a credit in the books, the Bank receive Exchequer bills in

lieu thereof. If any individual has money to pay into the receipt of the Exchequer, whether it arises from loans, public duties, or any other services, the Bank give to the tellers as many Exchequer bills of 1000*l.* each, as the above sums amount to; they having received the like sum in Bank notes or in cash, in the course of the day, (for which purpose three clerks of the Bank attend every day at the Exchequer.)

In the case of loans, upon a 15 per cent. payment, on a loan of 12,000,000*l.* which amounts to 1,800,000*l.* the said sum remains in the Bank till the act passes relating to the loan; then the chief cashier directs one of the clerks who attends the Exchequer from the Bank, to pay the said 1,800,000*l.* into the receipt of the Exchequer, which is done by giving 1800 Exchequer bills of 1000*l.* each. The future instalments are paid in the same way, directly after their receipt.

Q. In the receipts of bills and cash from the Exchequer, in the manner which you have described, what has been the general proportions of each, and did that proportion materially vary in the course of the last year?

A. I conceive that in the course of a year 100,000*l.* in cash, is fully sufficient to transact the business of the Exchequer. The detail part of the business is all transacted at the Bank.

Q. What, prior to the 25th of February last, was the amount of cash usually left in the Exchequer each day?

A. I should apprehend about 50 or 60,000*l.* The weekly certificate would shew it correctly.

Q. In what manner is the interest of the Exchequer bills paid and circulated? Do you receive the interest on the Exchequer bills only during the time that these Exchequer bills are in the Bank, or do you continue to receive it when they are deposited by the Bank in the Exchequer?

A. As to the first part of the question, when any money is paid on the land-tax, or any other service, the same is given to the clerks of the Bank, and at the close of the day the clerks of the Exchequer send up a piece of paper to the Bank clerk, informing him that so much money has been paid off the land-tax, which sum he receives, and the interest ceases at the

same time ; but in regard to the second part of the question, whether the Exchequer bills remain in the Bank, or deposited in the Exchequer, the interest is continued to be paid until the land-tax is paid off.

Q. But when money is raised under the authority of parliament, by Exchequer bills, when these bills have been issued from the Exchequer to the Bank, and afterwards are returned, and deposited in the teller's chest, do the Bank continue to receive the interest of these bills so deposited ?

A. They do.

Q. Are these bills then considered as so much cash paid by the Bank into the Exchequer ; and are the Bank under an obligation to take back the Exchequer bills as cash ?

A. They are.

Q. When notes or cash are paid to the Bank, from the Exchequer, and Exchequer bills returned upon them, do not government pay interest for these Exchequer bills ?

A. Undoubtedly ; for they are nothing more than pass tickets.

Q. In what manner is provision made for the payment of the quarterly dividends ?

A. The Lords of the Treasury direct a warrant to be drawn for the payment of particular funds, due at each quarter, which warrants are sent to the auditor of the Exchequer, who directs an order to be made out for the tellers of the Exchequer to pay certain sums to satisfy the dividend then due, which warrant and order are returned to the Treasury, to be signed by the Lords of the Treasury, who direct them to be sent back to the auditor of the Exchequer, who keeps the warrant in his own possession for his security; and upon the order directs the teller of the Exchequer to pay certain sums thereout to the amount of the dividends then due, and particularly specified, which they do by giving to the clerk of the Bank as many Exchequer bills of 1000*l.* each, as the said quarterly dividends amount to, and for which the chief cashier gives a receipt: and then the Bank pay each claimant his dividend due thereon.

Q. Supposing the amount of the dividend paid at the Bank in the course of the year to be 14,000,000*l.* sterling, what proportion of that sum may be estimated to be paid in cash, and what in Bank notes?

A. I should imagine from 1,300,000*l.* to

1,400,000*l.* in cash, and the remainder in Bank notes.

Q. Is it found that the payment of the quarterly dividends materially affect the proportion of cash remaining in the Bank?

A. That depends upon circumstances; for cash fluctuates to a very great amount, sometimes in a very short space of time.

Q. Is it found that the payment of the quarterly dividends materially affects the amount of Bank notes in circulation?

A. There must certainly be an increase in the circulation of Bank notes, owing to the payment of the dividend, but that is often counteracted by loan payments, and other payments made to the Bank; and between April and the end of May the receivers of the land-tax pay not less than 600,000*l.* to 800,000*l.* of the land tax which they have received, which money is paid into the Bank, and cancels as many Exchequer bills; and they do the same between the months of October and the middle of December, or to a larger amount; and the weekly revenues amounting to between 200,000*l.* and 300,000*l.* per week, continually lessen the circulation of Bank notes.

Q. Does not the cash in the Bank usually accumulate so as to be greatest a few days previous to each quarterly dividend?

A. That depends upon circumstances ; for if a payment is made to the navy, or the payment of a quarter's wages to the several dock-yards, which now amount to upwards of 200,000*l.* and which generally takes place towards the end of a quarter, of which sum from 100,000*l.* to 120,000*l.* is paid in cash, it prevents an accumulation taking place a few days before the dividend is payable ; and frequently the paying off men of war takes a great share of cash. Independent of those circumstances, the cash will sometimes be a little higher.

Q. Of all the public services which requires the largest payment in cash ?

A. The navy, including the dock-yards.

Q. Which requires the next largest payment in cash ?

A. I should suppose the army.

Q. Is there any great disproportion in the payments in cash directly from the Bank to the navy and army ?

A. I think a great one.

Q. In the navy payments do you include the victualling?

A. Certainly.

Q. Are the instalments upon the loans paid entirely in Bank notes?

A. I dare say that 990 in every 1000 is paid in Bank notes.

Q. Are the customs and excise, and other public duties paid in Bank notes?

A. I believe we do not receive from the customs 5000*l.* a year in cash, and the excise not above 50 or 60,000*l.* speaking vaguely.

Q. Of all the public revenues, which brings most cash to the Bank in the payment of them?

A. I should think the home counties of the land-tax.

Q. Are the advances made to government given in Bank notes?

A. They are; almost the whole.

Q. In the statements given to this committee of the amount of Bank notes in circulation, is it to be understood that any material part thereof are suspended for accruing payments in the Excise, Customs, &c. in the hands of receivers-general, public treasurers, and other

persons concerned in the public receipt and expenditure; and are the sums so suspended increased in proportion to the increased revenue and expenditure?

A. The greater the emissions are for public services in the hands of public receivers and payers, I should apprehend there is a greater proportion remaining in their hands than if the emissions were less.

Q. Do not the principal bankers in London receive the greater part of each quarterly dividend?

A. I should apprehend, if the dividend is 3,000,000*l.* out of that sum, the principal bankers may receive from 6 to 800,000*l.*

Q. Do you apprehend of that sum a great part is not, within a few days paid back into the Bank by these bankers?

A. I believe not.

Q. Have you reason to know there is an exportation of guineas for the purpose of sale, when the price of gold is so much higher on the continent, as to do a little more than pay the expence of exporting it?

A. If the price of bullion is higher than the coinage price it is an inducement for persons

to melt the guineas, and convert them into bars, and send them abroad, and return them afterwards to England, and sell them to the Bank at the price the bullion bears, so that the difference is their profit.

Q. Has the price of bullion of late been higher than the coinage price, and in what proportion?

A. The price of gold in bar, given by the Bank is 3*l.* 17*s.* 6*d.* the ounce, which is 4½*d.* per ounce less than the coinage price. These bars are produced from light guineas; but if the Bank were now to buy gold in bars at Hamburg, or elsewhere, I believe they would lose 2 per cent. by so doing.

A. Do you include in that loss the freight of the gold from Hamburg?

A. The Bank has nothing to do with the freight.

Q. Is the gold purchased by the Bank to be delivered at the Bank?

A. It is.

Q. Has the price of gold at any time, within the last two years, been as high as four guineas per ounce, when guineas could be purchased at the rate of 3*l.* 17*s.* 10½*d.* per ounce, and was

there not, at that time, reason to apprehend that they would either be melted or clandestinely exported?

A. I believe that gold, within the last two years, has been at a higher price than 4*l.* 4*s.* per ounce, which is a great inducement for persons to melt guineas, which are circulated at 3*l.* 17*s.* 10½*d.*

Q. Under the existing circumstances do you think it is probable that any of those guineas which have been reduced into bars and exported to Hamburg, or elsewhere, should be sent to this country to be sold to the Bank?

A. That depends upon the price the Bank gives for gold, if not more than 3*l.* 17*s.* 6*d.* they will not sell them to the Bank.

Q. Does the Bank ever pay more in their purchase of gold than the Mint price?

A. Frequently.

Q. Do the Bank, in such case, carry their gold to the Mint to be coined?

A. They do.

Q. What is the highest price you ever knew the Bank pay for gold per ounce?

A. 4*l.* 1*s.* 4*d.* ; 4*l.* 2*s.* ; 4*l.* 6*s.* and as high as 4*l.* 8*s.* but very seldom these prices.

Q. State to the Committee at what time the Bank gave so large a price as 4*l.* 8*s.* and what were their reasons for giving a price so much above what they give at present?

A. I believe it is about two years since the Bank gave about 4*l.* 8*s.* per ounce for gold; it was but a small quantity; it was soon stopped on account of its price. The Bank at that time thought it expedient to obtain gold from Portugal, which their agent could not do at a less price than 4*l.* 8*s.* The gold for which the Bank gives 3*l.* 17*s.* 6*d.* per ounce now, is bars from light guineas. They could not purchase gold from abroad at that price.

Q. If there were now to be a coinage, do you think a great deal would be melted down and privately exported?

A. That depends entirely upon the price of bullion.

Q. What inconvenience would arise if the guineas were to be coined of less intrinsic worth, or more alloy?

A. It would be attended with this evil—that when the price of bullion is low, a number of guineas would be coined of equal standard with

those mentioned, at the reduced price, to the great advantage of false coiners.

Q. Then, if necessity obliged you to coin good guineas when bullion is at an advanced price, is it not a great encouragement to individuals to melt them down and privately export them.

A. Undoubtedly.

Q. Which, upon the whole do you think would be most disadvantageous to this country under the circumstances above stated.

A. I should think it would be attended with the greatest disadvantage at the reduced price.

Q. Is it more difficult to prevent false coining, or to prevent the melting down or exporting when it is for their advantage to export it?

A. I am at a loss to guess how you can prevent either.

Q. Does not the guinea wear much less when there is more alloy in it?

A. I should apprehend not.

Q. Does the Bank give as much at present per ounce for gold in bars as the current value of that article at Hamburg?

A. The Bank at present give only 3*l.* 17*s.* 6*d.* per ounce for gold, in bars.

Q. Is it to be understood that in the present circumstances of the Bank, they give no more for bullion than the lowest price they ever gave for it ?

A. They give no more, at present for it than 3*l.* 17*s.* 6*d.* per ounce ; but were they to buy gold abroad they would be obliged to give a higher price for it.

A few days afterwards Mr. Newland was again examined, and explained as follows before their Lordships.

Q. In the present situation of the Bank, do you suppose they could procure gold from abroad if they were willing to give a higher price than 3*l.* 17*s.* 6*d.* ?

A. No doubt of it ; but at a considerably higher price. The price of gold depends upon the course of Exchange.

Q. State to the Committee at what price the Bank in your opinion could procure 50,000*l.* sterling, in bullion, from abroad ?

A. It is very uncertain, because it depends on commercial transactions, whether there is a demand on this country for a larger sum than is

due from this country, to the places where the gold is to be purchased.

Q. At the time the Bank gave 4*l.* 8*s.* per ounce for gold in Portugal, was there any particular reason for the Bank resorting to that market?

A. They thought they could obtain it there more readily than from any other market.

Q. Was the price of gold, at that time, higher than 4*l.* 8*s.* in other foreign markets of Europe?

A. I cannot answer that question.

In consequence of these, and other examinations, too prolix to detail, and the judgment of the Lord's Committee, as applied to the subjects of them, a report was drawn up, stating various facts and results, connected with the affairs of the Bank of England, of which it is of the highest importance, in our view of the subject, that the public should be correctly informed. We shall only extract that part of the report which immediately refers to the concerns of the Bank of England.

This document was intituled—

“ Report from the Committee of Secrecy appointed by the House of Lords to examine

and state the total amount of outstanding demands of the Bank of England ; and likewise the funds for discharging the same, and to report the result thereof to the House ; together with their opinion on the necessity of providing for the confirmation and continuance of measures taken in pursuance, of the minute of Council, on the 26th of February last."

Then follows the report itself, from which the subsequent paragraphs are extracts.

" That the Committee having, in pursuance of the order of the House, proceeded to take into consideration the several matters referred to them, have agreed to report thereon as follows :

" With respect to the first part of the order of the House, by which they are directed to examine and report the total amount of outstanding demands on the Bank of England, and likewise of the funds for discharging the same, they called upon the Governor of the Bank, and upon Mr. Bosanquet, one of the Directors of the Bank, (who attended them in the absence of the Deputy Governor) for an account to that effect; which account having by them been produced to the Committee, and the same having been examined by the Committee,

it was agreed to report the result thereof to the House as follows :

“ That the total amount of outstanding demands on the Bank on the 25th day of February last was 13,770,390*l.* and that the total amount of the funds for discharging those demands, over and above the permanent debt due from Government of 11,686,800*l.* was, on the same day of February last, 17,597,280*l.* and that the result is, that there was, on the 25th day of February last, a surplus of effects belonging to the Bank, beyond the total of their debts, amounting to the sum of 3,826,890*l.* over and above the before mentioned permanent debt of 11,686,800*l.* due from Government.

“ The Committee think it right to observe that this account is made up to the 25th of February, inclusive, and that since that day several considerable issues have been made by the Bank in Bank notes, both upon Government securities and discounting bills, the particulars of which could not immediately be made up ; but that as those issues were made upon corresponding securities, taken with the usual care and attention, the actual balance in favour of

the Bank, has not been materially varied, but, if at all, has been rather increased.

“ In proceeding to the consideration of the second part of the order of reference in which the Committee are directed to report to the House their opinion, on the necessity of providing for the confirmation and continuance of the measures taken in pursuance of the minute of Council of the 26th of February, the Committee have thought it right to confine their enquiries to those points only on which that necessity appeared to them principally to depend; and having examined to those points, the Governor of the Bank, and the said Mr. Bosanquet (one of the directors thereof) the Committee find

“ That the Bank of England has lately experienced an unusual drain of cash.

“ That this drain was owing, in great part, to the demands for cash from the country; such demands being made upon the Bank, indirectly from the country, but directly from the bankers of London, who are to supply the country.

“ That, by the effect of this drain, the cash of the Bank has been of late very considerably reduced; that it has however been known by

those conversant in the affairs of the Bank, to be a great deal lower ; but, that on this occasion, the rapidity of the demand has been unparalleled.

That those demands had been of late progressively increasing, but particularly in the last week ; and that, on the two last days of that week the demands exceeded those of the four preceding days.

“ That there was every reason to apprehend that these demands, and the consequent progressive reduction of cash, would continue, and even increase.

“ That by the effect of such reduction, if it were to continue in the same, or in a still further increased proportion, the Bank of England would be deprived of the means of supplying the cash which might be necessary for pressing exigencies of public service ; and this led the Bank to make the communication they did to his Majesty’s ministers.

“ And lastly, that since the date of the minute of Council above mentioned, no such alteration has occurred, as materially to vary the situation of the Bank in this respect.

“ On this view of the present state of the im-

portant question referred to them, the Committee have agreed to report to the House, as their opinion, that it is necessary to continue and confirm the measures already taken for such time, and under such limitations and restrictions, and with such power of discontinuing the same, as to the wisdom of Parliament may seem expedient.

“The Lords of the Committee think proper to conclude their report with a summary of the chief points which have occurred in their enquiry, respecting the causes that produced the order of Council of the 26th of February last, as resulting from the evidence taken by them, and from the accounts laid before them.

“In order to render the subsequent details relative to this important subject more intelligible, the Committee think it right to begin with taking a general view of the state of the circulation of the kingdom.

“It appears, by the evidence, that the circulation of this kingdom, by which its immense commerce is carried on, consists principally in the metropolis and its neighbourhood, either of

the notes of the Bank of England, or of coin chiefly made of gold.

“In the metropolis, the quantity of paper much exceeds the quantity of coin in circulation. The Committee have no sufficient means before them to judge of the proportion of cash and paper in the metropolis, except as far as any inference can be drawn from the quantity of cash paid at the Bank, compared with the amount of the notes issued by that corporate body, as stated in the evidence of Mr. Newland, principal cashier of the Bank ; and particularly from the proportion of cash paid quarterly at the Bank, in discharge of the dividends of the public stocks, a part of which only is received by Bankers, the remainder by persons of every description.

“The Bank of England is at the head of all circulation. It is the great repository of the spare cash of the nation, and alone carries bullion to the Mint to be coined ; it is subject, on that account, to be called on for cash, directly or indirectly, by those who are in want of it ; and is necessarily sensible of every material failure or distress, which arises from any defi-

ciency, or want of coin, in every part of this kingdom, or Ireland.

“It appears, that the circulation of paper was carried to its greatest height a short time previous to the beginning of the year 1793.

“It was observed by Henry Thornton, Esq. (and indeed it is self-evident) that in proportion as the commerce of this country increases, a great capital is necessary for carrying it on; and also, that any given quantity of commerce in time of war, by the increased expences of freight, insurance, and mercantile charges, requires a greater capital than the same quantity of commerce in time of peace. These two circumstances must have had considerable influence, in the course of the last three years, upon the circulating cash and paper of the kingdom, especially when it is considered, that from causes already assigned, the circulation of paper was considerably diminished; and Mr. Bosanquet, a Bank Director, in assigning the causes of the great pressure on the Bank for want of cash, in the year 1783, is of opinion, that the drain of cash, at that time, proceeded from the great extension of commerce which followed the peace, and which occasioned so

large an export of the commodities of this country that the circulation was hardly sufficient to support it.

“ The result of all the various circumstances before stated, does not appear on the whole, to have produced any permanent disadvantageous effect on the cash of the Bank, till the month of September, 1795. The cash of the Bank had, indeed, been much lower than usual in March and June, 1793 : but it rose in September of that year nearly to its usual average. From September, 1795, however, it continued progressively declining, so as to be, during the whole year 1796, considerably less than in the year 1795, but not lower at the end of 1796, than in the middle of that year; and in the commencement of the present year it was still less than in 1796 : and in the week preceding the issuing of the order of Council, it diminished rapidly. It was not, however, even at that period, in any degree so low as in the year 1783, and particularly in the month of October of that year.

“ The conferences between the Chancellor of the Exchequer, and the Governor and Deputy Governor of the Bank, on the apprehensions

they entertained of the diminution of their cash, and the representations made by them from time to time, on the effect which foreign loans and remittances had on the state of their cash, will appear by the evidence of the said Governor and Deputy Governor, and other Directors of the Bank, when they attended the Committee, either as a deputation or in their individual characters, as well as from the minutes of those conferences, and the copies of the resolutions delivered by them to the Chancellor of the Exchequer. It will appear also, from the evidence of the Chancellor of the Exchequer, and from the letters written by him to the Governor of the Bank, all which are inserted in this report, and to which the Committee think it more proper to refer the House, than to give a summary of them.*

“The accounts before inserted, and the evidence just referred to, will also shew what was the nature of the advances made by the Bank to Government. Upon what funds or credit they were made;—what was their amount at different periods;—how the amount of

* The Documents here referred to, we have not thought it necessary to subjoin.

these advances, during the present war, bears to those usually made in time of peace;—how far they have exceeded those made in the last war;—and whether they were greater or less, immediately previous to issuing the order in Council, of the 26th of February, than at any preceding period.

“ The Committee have hitherto stated the several points relating to the more remote causes by which the circulation of the kingdom, and the general state of the Bank, may have been affected. They proceed now to those which immediately preceded the 27th of February last, and more directly contributed to the necessity of the order in Council which was issued on that day.

“ But the demands for cash from the distant parts of the kingdom were not the only causes of the embarrassments of the Bank of England at this period. It is stated, in an account delivered by Mr. Puget, one of the Directors of the Bank of England, and agent for the Bank of Ireland, that in the commencement of the year 1797, there was an unusual demand of cash made on the Bank of England to be sent to Ireland; and that there was an expectation

of a loan being intended to be raised in Great Britain, for the service of Ireland, which would have necessarily occasioned the exportation of a considerable quantity of coin from the metropolis to the latter kingdom. It is proper to add, that the kingdom of Ireland appears for some weeks, previous to the issuing the order of Council of the 26th of February, to have experienced a great want of cash, similar to that which was experienced in Great Britain.

“ There is a circumstance which throws considerable light on one, at least, of the causes which produced this great demand for cash at the Bank, at different periods, as laid before the Committee, that the greatest drain of cash which the Bank has experienced, subsequent to the year 1783, was in March and June, 1793, that is, a short time after the failure of the country Banks in that year, and in the commencement of the month of February of this year, that is, a short time after the Newcastle Banks stopped payment in cash, and when the alarms before stated, produced great demands for cash from different parts of the country; so that in both those periods the same cause appears to have produced an effect nearly

similar, that is, a very unusual drain of cash from the Bank.

“ The increased demand for cash must bear a proportion to the decrease of any other sort of circulation that is a substitute for it. The Committee will presently shew to what degree the circulation of the notes of the Bank of England had been diminished immediately previous to the 26th of February last.

“ From the evidence of the Governor of the Bank, and from the report of the last secret Committee, which has been laid before this Committee, it appears that it was not singly the diminished state of their cash which gave the Directors any alarm; the Governor, and Mr. Bosanquet, rather impute this alarm to the progressively increasing demands for cash upon them, particularly in the week preceding the 26th of February, and to the reasons they had to apprehend that these demands, and the consequent progressive reduction of cash, would continue, and even increase; and they add, that this drain was, in great part, owing to demands for cash from the country, such demands being made upon the Bank indirectly from the

country, but directly from the bankers of London, who were to supply the country.

“ The Directors of the Bank, under the impression which these alarms and embarrassments had occasioned, appear to have judged it prudent to diminish their notes in circulation, and the consequent demands that might come upon them, so as to make the demands more nearly correspond with the state of their cash. It will be seen in the accounts presented to the Committee of the amount of Bank notes in circulation at different periods, that the average amount of these notes in circulation for several years previous to the end of the year 1796, may be stated at between 10,000,000*l.* and 11,000,000*l.* hardly ever falling below, 9,000,000*l.* and not often exceeding to any great amount 11,000,000*l.* It will appear by one of the aforementioned accounts, that in the latter end of the year 1796, and in the beginning of 1797, the amount of the Bank notes in circulation was less than the average before stated ; and on the 25th of February last it was reduced to 8,640,250*l.*

“ It is true that by the account presented to the

Committee of the amount of Bank notes in circulation in the years 1782, 1783, and 1784, the quantity was even then generally less than the sum last mentioned; but at that time the foreign commerce of the kingdom was not even one half of what it is at present, as will be seen in the account of imports and exports inserted in this report.

“ It is not probable that the reduction of Bank notes to 8,640,250*l.* immediately previous to issuing the order in Council of the 26th of February, was owing to any diminution of the demands for them; for at that time the merchants of London were subject to difficulties from not being able to get their bills discounted.

“ The Directors of the Bank had, on the 31st of December, 1795, come to a resolution to diminish their discounts; but notwithstanding that resolution, they did not diminish the amount of their discounts in the course of the year 1796, compared with what they were in 1795, but had rather increased them; not, however, to such an extent as to make them correspond with the wants of the commercial world.

A considerable degree of distress therefore ensued, which distress may also be imputed to another cause, in evidence before the Committee. By law, no man is to take more than 5*l.* per cent. interest, for money lent or advanced by him; and this restriction is understood to apply to bankers, in the business of discounting: so that in time of war, when a much greater interest than 5*l.* per cent. can be made of money, upon Government securities, the discounts which merchants obtain from bankers and other individuals, are necessarily much diminished, and they are forced, on that account, to resort directly to the Bank."

We have been the more anxious to give these details from this high authority, after a protracted and laborious examination, because they correctly and fully disclose the affairs of this powerful and dignified establishment. The information is principally derived from the testimony of Mr. Newland, and from the departments under his immediate controul and superintendence. From the time of the foundation of the Bank, no developement had been

before made of these curious circumstances, the Directors having always considered themselves as presiding over a private company, whose affairs were matter of private right; and their books and accounts, like those of an individual banker or merchant, not to be inspected under the mandate of any public authority whatever. It is now ascertained, that the accounts of the Bank are managed with the ease and regularity adopted in the transactions of a commercial counting house, and precisely on the same plan; and that although the wheels, or agents, are multiplied into a prodigious aggregate, yet being all urged by the same uniform impulse, no complexity arises, and entries of millions circulated through the four quarters of the earth, are inserted with the simplicity of a domestic memorandum.

It was not until an interval of alarm arrived, in which the credit of the company was threatened, and the aid of Government became necessary, that their doors were unbarred; their treasures were explored, their books opened, their accounts examined, and the mysteries of their art divulged. The order of

Council, which we have stated to have been on the 27th of February, 1797, was issued in the confidence, that those who preside over this institution, would satisfy the public as to the real condition of their affairs. That confidence has not been reposed in vain; the fullest satisfaction has been given respecting the concerns of the Bank, and the institution has risen unhurt from the ordeal to which it has been exposed. It was pretended, that the interference on the part of Government, originated with the minister, but it appears manifest from the narrative we have given, that an express communication was made to Mr. Pitt of the embarrassment which the Bank suffered from the demands for specie, and his interposition was sought by the Committee, to prevent the necessity of answering such demands.

It is now known what was the extent of their credits and debits; what the value of the precious metals in their caverns; what the amount of the floating medium, so familiarly known under the name of Abraham Newlands; what the sum of their discounts for the accommodation of the London traders; what the reach of their assistance to the executive Government

and what the danger which may be apprehended from the increase of their pecuniary aids for public purposes*.

* It was thought by some, that the interference on the part of the Government and Parliament was improper, inasmuch as the Bank ought not to have been prevented from continuing to pay in cash as long as it had any remaining ability to do so. Every Bank note, it was urged, was a contract to pay money, entered into between the Bank and the possessor of it, in consequence of what has been deemed a valuable consideration; and no authority of Parliament ought, except in a case of the last necessity, to interpose itself to prevent the fulfilment of such a contract. To this, it seems a fair answer to say, that the question is not whether any one holder of a note shall have his claim to receive money for it interfered with, but that is the question respecting all the holders of notes, as well as all persons having a right to demand any cash payments in any quarter whatever. Now there are few or no creditors who are also not debtors; and a very large proportion of debtors owe as much to others as others owe to them. Bankers and traders are greater debtors than other men; but they are also greater creditors. The Bank itself is a great creditor, its credits, indeed, being far greater than its debts, and it is intitled to receive a part of its debts almost immediately. The case then is this; a comparatively very small portion of the persons having a right to demand cash, are led by sudden alarm to urge their claim for guineas to such an extent as to invest even a large portion of their capital in that article, of which a quantity has been provided, which is sufficient only for the purpose of the ordinary kind of payments. All the cash in the world would not satisfy claims of this sort, if all men, having a right to urge them, were disposed equally to do so. The very persons who press for these payments do not reflect that they themselves have creditors, who might, with equal justice, exact the immediate money payment of a still larger debt against them. The law authorising the suspension of the cash payments of the Bank, seems therefore to have only given effect to what must have been the general wish of the nation, in

The policy of every banking establishment in Europe, from the Gulf of Finland to the shores of the Adriatic, has been uniformly directed to take advantage of the prejudices of

the new and extraordinary circumstances in which it found itself. If every bill and engagement is a contract to pay money, the two parties to the contract may be understood as agreeing, for the sake of a common, and almost universal interest to relax, as to the interpretation of it, and as consenting that "money should mean money's worth," and not the very pieces of metal; and the Parliament may be considered as interposing, in order to execute this common wish of the public.

By authorising the suspension of the cash payments of the Bank, while a certain quantity of guineas still remained in its coffers, the Parliament, moreover, much diminished the stock which this extraordinary event might naturally be expected to occasion, and also provided the means of furnishing the guineas absolutely necessary after that æra, for some smaller current payments, as well as the means of securing the credit of Bank notes, thus rendering them a more valuable medium of exchange for goods, and a fairer substitute for guineas than they might otherwise have been. The Parliament then were led by the practical view which they took of the subject, to disregard theory, as well as some popular prejudice for the sake of more effectually guarding the public safety and promoting real justice.

The danger chiefly to be apprehended in London was, that the common class of people not receiving their pay in the usual article of coin, and not knowing at the first that one and two pound notes would purchase every thing in the same manner as gold, might be excited to some tumultuous proceedings. It was also feared, that through the discredit cast on small notes by the common people, this new paper might fall at the first issue of it to a discount. It was important, therefore, to continue, for a time, to pay the labouring people in money, and to circulate the new one and two pound notes in the first instance, by the medium of the higher classes. Of the sum remaining in the Bank, a small part was issued to each of the bankers after the

mankind. Long habits of punctuality produces a notion of perpetual solvency, and extensive wealth, and whether connected with, or independent of the existing governments under which they were conducted, it has been their custom to throw an impenetrable veil over their proceedings, until, by urgent necessity, the veil was rudely torn, and the exposure became unavoidable. It is happy for this country in general, and for the Bank proprietors in particular, that the necessity, in this instance, arose at so early a period, so that while the affairs of the Bank are yet in a respectable condition, although not so flourishing as we had been led to expect, a salutary guard is put upon their proceedings. The public can now judge of the

suspension took place, for the convenience of common workmen. It was obviously desirable that a further sum should be reserved in the Bank as a provision for any subsequent and important uses.

Immediately after this event the Bank extended the quantity of its notes, nearly to the amount of the sum usually in circulation; and not only was credit revived, but in no long time guineas became remarkably abundant. The Bank, as is commonly supposed, was replenished with them. And there is infallible proof that gold flowed into the country; and that the course of exchange became much in favour of it.—*Kirton's Enquiry on Paper Credit*, p. iii.

power the Bank possesses, to answer the claims of a prodigal minister, and the time will, at least, be protracted, when the Government shall involve in final disgrace and ruin this beneficial and honourable institution.

We have now, in the course we have taken, followed Mr. Newland to one of the most anxious periods of his life; but while he was yet in health and vigour of mind, competent to the discharge of the most arduous of his public duties. We must next pursue him into his retirement, to his personal and friendly attachments, to his regard for a young man who had long deserved his confidence, and whose merit had introduced him to peculiar favour. Some of our readers will be aware, that we are referring to the unhappy Mr. Astlett, whose extravagant ambition led him to the dereliction of his most important duties, and exposed him to consequences, it will be our painful task briefly to relate. It has been reported, erroneously, that this person was the natural son of Mr. Newland, and the patronage afforded him was ascribed to this near and tender relation. It is true, that Mr. Newland indulged a warm affection towards this young man, and that the

probable result would have been, if not obstructed by his misconduct, that he would have received the respectable patronage of Mr. Newland through life, and would have inherited the bulk of that gentleman's property at his decease. Such was his fondness for Mr. Astlett, and we do not wonder that his attention and regard, so frequently, and so publicly expressed, should have occasioned a report not perfectly consistent with the general regularity, and moral decency of Mr. Newland's character. We believe that Mr. Newland had no knowledge of Mr. Astlett until his appearance at the Bank, and we know that he was introduced into that institution by Mr. Torr, and not by Mr. Newland. The first ground of Mr. Newland's notice of the youth, was the punctuality and talent with which he fulfilled his duties at the Bank. What commenced in approbation, proceeded in friendship, but ended in disgust and abhorrence.

We shall not explain the circumstances which led to the detection of this offender, further than they will appear in the short notice of the judicial proceedings.

On the 8th of July, 1803, at the Old Bailey,

came on the trial of Robert Astlett, who being put to the Bar, was indicted, for that he, being a servant of, and employed by the Governor and Company of the Bank of England, was entrusted with a certain paper writing, called an Exchequer bill, of the value of 1000*l*. and another of the same value, and a third of the same value; on the 26th of February last, he being such servant, &c. did feloniously secrete and embezzle the said Exchequer bills, and did run away with them so belonging to the said Governor and Company. There were no less than ten different counts to the same effect.

Mr. Garrow was counsel for the prosecution, and Mr. Erskine for the prisoner. The former stated, that the Bank of England being in the customary habit of purchasing Exchequer bills, on account of Government, such bills are either brought to the Bank by one particular house (Goldsmid & Co.) or by the Bank-broker, who purchases the bills in the market. On the delivery of these to the Cashier, Mr. Astlett, he gives an order for payment, and the Exchequer bills remain with him till a sufficient quantity are selected together, and made up in bundles to deliver into

the custody of the Directors in the parlour. These bundles are then counted, and a voucher given to the Cashier on their delivery. They are placed in a strong closet shut under three keys, and two of the keys are kept by the Directors. Conformably to this practice, on the 26th day of February 1803, these were transferred from the custody of Mr. Astlett, the Cashier, to the parlour.

One bundle of Exchequer Bills to	
the value of - - - . -	£100,000
Another - - - - -	£200,000
A third - - - - -	£400,000
	£700,000

An entry was made in the Parlour-book, and its correctness was vouched by the signatures of two Directors, Messrs. Smith and Puget. The entry thus vouched was nevertheless afterwards found to be for Bills to the amount of 200,000*l.* more than the actual value of the bundles. On this discovery it came out that Mr. Astlett had been re-issuing some of those Bills to raise money; and Mr. Bish, the Stock-broker, who had been applied to with some of them by Astlett, suspecting that all was not right, gave intimation of

his suspicions to the Bank, when Mr. Astlett's criminality became evident.

After Mr. Garrow had gone through his case, Mr. Erskine on behalf of the prisoner shewed that Mr. Jennings, who had signed those purloined Exchequer Bills in the first instance, had not the proper authority renewed to him for so doing, as required by Act of Parliament; and further stated, that Government had since the commitment of Mr. Astlett, passed an Act to remedy the omission.

The Chief Baron Macdonald observed, that the charge was for embezzling a valid Bill of Exchange. However great the crime, and the magnitude of the sum embezzled; though every one must regret the cause of it, and the effect upon security; yet it was the bounden duty of the Court to determine according to the regular, ordinary, and constant course of the administration of justice. It was entirely clear that the present indictment was not to be maintained, as the charge therein alledged could not be proved. The late Act of Parliament had recognized the

invalidity of the Bills which the prisoner embezzled.

The other Judges concurred in opinion, and the Lord Chief Baron directed the Jury to acquit the prisoner. He was accordingly found Not Guilty.

Mr. Garrow applied to the Court to detain him in custody, it being the intention of the Bank Directors to issue a civil process against him for 100,000*l.* and upwards, money paid for the Bills which he had converted to his own use.

On Thursday July 14th following, a half yearly general Court of Proprietors of Bank Stock, was held at the Bank, for the purpose of declaring a dividend. In the course of doing this, it became necessary for the Chairman of the Court of Directors to state the loss which the Company had sustained by Mr. Astlett. The actual loss he said was about 320,000*l.* About 78,000*l.* he added, had been employed in sources from which the Directors think they shall be able to recover, and they were determined to prosecute for that purpose. It was also mentioned, that the loss by Mr. Astlett, would

make no alteration in the dividends. That loss amounted to nearly the entire dividends of the half year ; but the affairs of the Company were in so prosperous a state that they should be able to divide as usual. The Chairman then proceeded to explain, that the Court of Directors were not to blame for the mal-practices of Mr. Astlett, who had succeeded in making away with the effects of the Bank by interlining sums, and by other contrivances. On this subject a very detailed and satisfactory explanation was given, in which the mode of executing the fraud was described.

At the Old Bailey Sessions, in the September succeeding, Mr. R. Astlett was again put upon his trial by a new indictment, charging him with the embezzlement of the property and effects of the Bank of England. The evidence was nearly the same as on the former trial.

Mr. Erskine on behalf of Mr. Astlett took his preceding ground of objection, viz. that the Exchequer Bills embezzled had been informally issued, and were no more than waste paper.

Mr. Justice Le Blanc said, he would leave that point to be determined by the Judges. The Jury found the prisoner Guilty on the facts, and the point of law was to be decided by the Judges.

At the Old Bailey, February 16th following, on Thursday morning, at 10 o'clock, the Judges having taken their seats upon the Bench, the Recorder directed Mr. Kirby to put Robert Astlett to the Bar.

Mr. Astlett was accordingly brought to the Bar.

Mr. Baron Hotham then addressed the Prisoner nearly as follows:—Robert Astlett, you have been tried and convicted at this Court, at the Sessions held in September, 1803, for embezzling Exchequer Bills, you being an officer employed in the service of the Bank of England, and having such bills in your care and custody. The indictment states, that you being an officer, was entrusted with certain papers commonly called Exchequer Bills, one of which was for the sum of 500*l.* belonging to the Governor and Company of the Bank of England; also several other Bills for different sums, the

whole of which, you being such officer, did feloniously secrete and run away with. It is admitted on the part of the prosecution, that the Exchequer Bills were not legal, not having been signed by a person duly authorised by Government; but you were convicted, and your judgment was respited in order that your counsel might submit to the Judges under the 15th of Geo. II. what appeared to them proper relative to your case. Eleven of the twelve Judges have since met in the Exchequer Chamber; and the objection taken by your counsel was ably and legally discussed. The Judges have since in conference sat together on the subject, and it is now my duty to inform you of the result of their mature deliberation.—There are two points that have been argued in your favour; viz. that you cannot be convicted under the 15th of Geo. II. as the 39th of Geo. III. repealed that statute. In the present instance it is unnecessary to dwell long, as the Judges are generally of opinion that there is nothing in the last mentioned act, that can repeal the other. The question was, whether the Bills were effects within

the meaning of the act. (Here the learned Judge read the preamble of the act to justify the decision.) The great object of the Legislature in framing the act, he said, was to afford additional security to the Bank, and the principle of Legislature must be applied with a regard to the general utility; and when this law is considered in the large and liberal view in which it was prepared, the recollection of the enormous weight of Exchequer Bills in circulation must impress upon every individual that they are fairly bought, and become the property of the Bank for a fair consideration. Yet it has been argued that they are not such Bills as come under the Act of Parliament, and though the Bills upon the face do not carry legal value, yet they carry a validity of the greatest importance to the Bank. It is expressly stated in the Act, that the offence of embezzling them is not larceny, but felony.—The Bills are such a species of securities that no man would hesitate to receive them. If an insolvent debtor were to omit placing any such bills in his schedule, every honest mind would revolt at the idea: in short, many cases

might be found to prove their value. It was argued, that if trifling articles belonging to the Bank were considered effects under the statute, it might lead to make old stumps of pens and blotting paper of that description. But the Judges had only gone to such effects as were entrusted to the servants of the Bank. The Rules in question fell under that consideration, as the Judges are of opinion that they are effects according to the 15th of Geo. II. and that the embezzlement of them by you, subjects you to conviction on the count upon which you were found guilty. The count was that which charged the Bills as effects belonging to the Bank, and subjects the prisoner to the pain of death.

In stating the circumstances respecting Mr. Astlett, who is now a prisoner in Newgate, we have adverted to the remote cause of Mr. Newland's death. The blow he received from these transactions, he felt to the last hour, and it contributed, no doubt, to accelerate his end.

Long before this time, Mr. Newland had acquired an ample fortune. His wealth was to be attributed both to the rigid œconomy of

his habits, and to some successful speculations. Although Mr. Newland was saving, he had none of the qualities of the miser. He knew the value of money, because he knew the difficulties with which it was obtained; but he knew the best uses to which it could be applied; and he did not fail to give it the proper direction. His family connections were most of them in poverty; and they were numerous. To many of his first cousins he allowed 80*l.* a year, and to others more distantly related, a smaller sum. One nearest allied to him in blood, after a course of indiscretion and extravagance, was so much reduced, as to be obliged to sell fruit about the street for a precarious subsistence. This person he rescued from beggary, by a weekly donation of two guineas, chusing this form of affording assistance, that the same imprudence might not expose the object of his bounty to the necessities he had before experienced.

If we were to detain our readers to recite the examples of his occasional liberality, we should extend our narrative much beyond the limits we have proposed. It will be enquired, why a person possessing such an ample fortune,

should live in his apartments in the Bank on a scale so contracted, when his duties no longer required such close attendance, and when he might have devoted the whole of his income, consisting of about 6000*l.* a year, to his personal credit and comfort, and to the gratification of his benevolent disposition? In the situation he had lived, he had enjoyed all the real and substantial pleasures of an ample fortune: he had no idle vanities to indulge; he had no public character to support, and the private enjoyment of a few intimate friends, was more acceptable to him, than an extensive circle of acquaintance, who might be invited by the hospitalities of his table, and the splendour of his establishment, more than by affection for his person, and respect for his principles and conduct.

Notwithstanding Mr. Newland's habitual parsimony and retired habits, it is true, that some time prior to his death, he projected a plan, by which he would have abandoned both the one and the other: his domestic establishment was to be raised to 4,000*l.* a-year, and 2,000*l.* he designed to devote to the purposes of extraordinary gratification, of which the ex-

ercise of his bounty would have formed no inconsiderable portion. This plan, the public are aware, was never adopted, excepting, indeed, as to the latter part of it. With respect to the rest, the infirmities of age were hastening fast upon him, and he felt himself ill qualified, under their pressure, to change the direction of his habits.

Had he adopted this plan of life somewhat earlier, would it have been consistent with true wisdom, directed to the important consideration of the means of his own happiness? "I was envied," says Mercator, "but how little can one man judge of the condition of another? The time was now coming, in which affluence and splendour could no longer make me pleased with myself. I had built till the imagination of the architect was exhausted; I had added one convenience to another till I knew not what more to wish or to design; I had laid out my gardens, planted my parterre, and completed my water works; and what now remained to be done?—what, but to look up to turrets, of which, when they were once raised, I had no further use, to range over apartments where time was tarnishing the furniture, to

stand by the cascade of which I scarcely now perceived the sound ; and to watch the growth of woods, that must give their shade to a distant generation ? In this gloomy inactivity is every day begun and ended ; the happiness that I have been so long procuring, is now at an end, because it has been procured ; I wander from room to room till I am weary of myself ; I ride out to a neighbouring hill in the centre of my estate, from whence all my lands lie in prospect around me : I see nothing that I have not seen before, and return home disappointed, though I knew I had nothing to expect.”*

We have mentioned, that the riches of Mr. Newland were increased, not only by the accumulation resulting from oeconomy, but also, by some beneficial speculations. It is erroneously supposed, that he acquired the principal part of his wealth by adventuring in the stocks. He might, on some occasions, successfully try his fortune in the ordinary funds, but it was not by these means that the principal part of his property was obtained. While Mr. Newland was in the Bank, the vast system of public expen ;

* Adventurer, No. 102.

diture, made frequent loans to the minister necessary, and it was by the purchase of shares in these loans, that Mr. Newland acquired by far the largest portion of his wealth.* Such insulated speculations, large in the sum, and tolerably secure in the result, were more suited to the disposition of Mr. Newland, than the minor experiments in the stocks, which required incessant attention, involved greater risk, and were conversant in items comparatively insignificant. He was not one of those, to use the expression of Dr. Johnson, who have passed their lives with no other wish than that of filling one bag after another, and with whom, therefore, riches and happiness are equivocal terms.*

When adverting to a subject of this kind, it is not immaterial to notice one rule of life to which he always adhered, and which alone, if generally attended to, would be sufficient to

* The advantages of the higher situations in the Bank, are not exclusively derived from the salaries. There is no clerk of the establishment who receives more than 500*l.* a year; but favourable opportunities are afforded of speculations in loans and otherwise, often much more productive than the stated emoluments.

† Rambler, No. 39.

prevent that spirit of wild extravagance, for which the present times are remarkable. Before the close of every successive day, Mr. Newland placed before him the books of account in which his domestic transactions were entered, and the receipts and expences of each day, were regularly and methodically assigned to their proper places. It is not merely from the correctness of the accounts in such cases, and the facility of detecting fraud in menials and dependants, that the advantage of this diurnal review arises; it is principally from the habit of thought formed by this frequent examination of the state of our concerns, by which we constantly direct our attention to those means which will prevent pecuniary embarrassment, and all the wretchedness, meanness, and crime, which are so frequently the consequence of penury, that a popular and learned writer has attributed to it nearly all the moral deformity of our nature.

There was a sameness in the mode of life of Mr. Newland, that was the natural result of the suavity and contentedness of his disposition. His amusements, within and without doors, were almost equally contracted, and neither

the state of his health or spirits seemed to require any extraordinary exertions. After the business at the Bank, in his department, had closed, and he had taken his moderate repast, his carriage was brought out, and was as constantly ordered to Highbury, in the vicinity of Islington, where he drank tea at a small cottage. Those who live in that neighbourhood, will recollect his daily walk, hail, rain, or sunshine, along the row of buildings called Highbury Place, and on his return to his carriage, his uniform tribute of gratitude to his large unwieldy horses, he always crossing the way, and patting them, however uncleanly the road, and however inclement the weather.

Mr. Newland was sincere in his friendships; and a game at cards, and free unreserved communication with a few intimates, were among the principal pleasures of his simple life. He possessed naturally high spirits, and was a lively and entertaining companion. Among the subjects of controversy, independent of matters of business, he was fond of discoursing on most cases of polemical enquiry, and from the liberal opinions he divulged in the society of persons not

familiar with such discussions, his sentiments were often mistated. The inclination to proclaim any peculiarity in his notions, was increased, from a little asperity sometimes excited in his antagonists by the love of contradiction, which Mr. Newland sometimes indulged, without the smallest acrimony. It is not wonderful, that in the sphere of society in which Mr. Newland moved, the doctrine of philosophical necessity, which he seemed to adopt, should be considered a freedom of sentiment into which the pious christian would not be disposed to deviate; and yet it may be perfectly true, that this doctrine is consistent with the most sublime views of the Divine wisdom, power, and benignity; with the most pure and exalted notions of the moral nature and relations of man, and with the most rational opinion of the future state of rewards and punishments, which it was the immediate design of revealed religion to announce. From inadequate views of these subjects, it was thought, that Mr. Newland supposed that man "lived, died, and there ended all respecting him;" and precisely in these words, are his opinions expressed in a manuscript communication we have received through the favour of one of his inti-

mate friend. The truth is, that Mr. Newland's penetration had discerned, among some of those with whom he conversed, that the ceremonies and the corruptions of religion, were made the cloak of meanness and hypocrisy ; and he was anxious to oppose to these derogatory qualities, the generosity and liberality of his own principles. He was neither in his opinions, or in his practice, a free-thinker. We have elsewhere said, that his father was a churchman, and his mother a dissenter. When he came to make his election, he preferred the established church, and until deafness prevented it, he was regular in his attendance on the public services of protestant Christians. These observations will be a sufficient answer to some calumnies which have been circulated with too much assiduity, by persons, perhaps well disposed, but whose unlearned education, and confined sentiments on the great and lofty truths connected with religion, have led them too hastily to suppose, that any variation, however slight, from certain received dogmas, was an incontestible proof of schism and infidelity. Of the confidence of his hope in a future world, and of the serenity with

which he delivered himself up to the arms of death, we shall have occasion to speak presently.

Mr. Newland, after a constant discharge of his official duties at the Bank, during nearly sixty years, and after having held the situation of Chief Cashier ever since the year 1778, on account of the infirmities of age, retired from the Bank on the 17th day of September, 1807. Among other misrepresentations, it has been said, that after he had so withdrawn himself, he felt a lassitude and indifference towards every earthly object; that he lamented the resignation of his active duties, and anxiously longed to resume them. Precisely the contrary was the fact. He felt no such lassitude and indifference, but was ever after cheerful, and joined with promptitude and delight in conversation round the domestic hearth, or in the pleasures of a well-regulated convivial board; and at no period of his life he appeared to have greater enjoyment from his ordinary sources of gratification. So far from appearing disgusted with the change in his situation, he often expressed satisfaction at the determination he had made, employing terms

which, by any one would be considered as strangely characterizing his opinion on this subject, but which, to a mind like his, employed on accumulation through life, was descriptive of his feelings with peculiar force ; he used to say, that he would not for a reward of 20,000*l.* a year have returned to his situation at the Bank.

We have now accompanied our readers during the long interval of the active duties of Mr. Newland ; we shall soon approach the time when he was rapidly hastening to the grave, injured in his bodily constitution, but with the faculties of his mind unimpaired.

About twelve years prior to his death, he had received into his family Mrs. Cornthwaite, whose assiduity and kindness relieved him from every domestic trouble ; and with whom a near friendship was cemented, which conduced greatly to the comfort and enjoyment of the latter years of his existence. In health she increased the cheerfulness of his retirement, and in sickness she fulfilled all the duties of an affectionate daughter. His gratitude for her kindness, during this long period, he expressed in his will, by leaving to her his carriage, fur-

niture, and establishment, and an income from 60,000*l.* in the stocks, to support her in a respectable independence.

Prior to September, 1807, he had slept for five-and-twenty years at his apartments in the Bank, without absenting himself for a single night. A consumption, the effects of which were accelerated by the weakness of age, had by this time made a considerable progress in his constitution, and on the 22d of that month, by the advice of his physicians, he quitted the Bank, never again to return. He went to No. 38, Highbury Place, his favourite situation, where Mrs. Cornthwaite had for some time rented the house. For nearly two months he lingered, supporting still the natural hilarity of his temper, while life was quickly approaching to its termination, and the blood at every returning pulsation, seemed disposed to withdraw to its last citadel, the heart.

During this period of corporeal languor and imbecility, his enjoyment of company still remained, and he received every assiduous attention to which he was entitled. It is true, that he had but few intimate friends who could obtain admission to him while he was in such a

situation, but in proportion to the paucity of their number was the warmth of their attachment, and Mr. Newland in his last days, had all the consolations which such friends can impart.

His sources of satisfaction were supplied, not only from the expectation of the future, but from the recollection of the past. Of the former he had no painful apprehensions, and of the latter, he retained a vivid enjoyment. He coincided with the Lyric poet, although unacquainted with his writings.

“ But fair or foul, or rain or shine,
 “ The joys I have possessed, in spite of Fate are mine ;
 “ Nor Heaven itself, upon the past has power,
 “ What has been, has been, and I have had my hour.”

Although to his friends he was obliging and attentive in his manners, yet he was far from being invariably so ; to an intrusive stranger, he would appear to have acceded to the sentiment of *Rasselas*, “ Surely, he is most likely

* ————— “ Non tamen irritum,
 Quodcumque retrò est, efficiet ; neque
 Dissinget, infectumque reddet,
 Quod fugiens semel hora vexit.”

HOR. Lib. 3. Ode 29.

to please himself, who has no other inclinations to regard."

Notwithstanding his good qualities, he had not forgotten that the most usual support of old age is wealth. "He, whose possessions are large, and whose chests are full, (says a profound moralist) imagines himself always fortified against invasion on his authority. If he has lost all other means of government, if his strength and his reason fail him, he can at least alter his will; and therefore, all that have hopes must likewise have fears, and he may still continue to give laws to such as have not ceased to regard their own interest.*"

A short time before his death, an acquaintance, to whose civilities he had not been before indebted, sent him a ham as a present. Mr. Newland had the discernment to perceive, that this trifling compliment was paid to him to occasion the recollection of the donor in his will. He knew the disposition of the man, and despised the mercenary motive. The next time he saw him, he indicated with sufficient clearness the discovery he had made. "I have received," said he, "a ham from you; I thank

* Rambler, 69.

you for it, but (raising his finger in a significant manner) I tell you it won't do, it won't do."

He had no extravagant expectations that the world would be drowned in sorrow when it should be his turn to leave it, and he wrote this ludicrous epitaph on himself, a short time before his death—

"Beneath this stone old ABRAHAM lies :

"Nobody laughs, and nobody cries,

"Where he is gone, and how he fares,

"No one knows, and no one cares."

Tully has long since remarked, that no man, however weakened by age, is so conscious of his own decrepitude, as not to imagine, that he may hold his situation in the world for another year. Although this observation may be generally true, Mr. Newland had not that fondness for life which led him to indulge any such illusive expectations. His physician, in one of his latest visits, found him reading the newspaper. The professor was surprised at seeing his patient thus disposed to look at the affairs of mankind, as if he expected longer to contribute his share in the business and bustle of the world. Mr. Newland soon removed the

doubts of his medical friend, and at the same time indicated his faith in a future state, and the perfect serenity and composure of his mind in contemplating his own dissolution. "I am" said he, smiling, "only looking in the paper, in order to tell what I am reading to the world I am going to."

The probability that the thoughts which occupy our minds at the last moments of our existence are those in which our attention will be engaged at the time of our resurrection, is an opinion which has been entertained by some of the most learned and ingenious theologians, and Mr. Newland seems to have formed the same notion. We do not mention it here, otherwise, than as it is illustrative of his character, and as it shews, at the same time, that he believed in another condition of existence, that he felt none of those apprehensions common to guilty minds, but in the recollection of a pure and upright life, was ready cheerfully to obey the last command of God and nature.

On Saturday the 21st of November, 1807, he died at Mrs. Cornthwaite's. Prior to the awful change he underwent, he repeated frequently, "May the Lord have mercy upon me,"

and while uttering these expressions, he breathed his last without any apparent pain of body, or anxiety of mind. On the 29th of the same month his remains were deposited in the church-yard of St. Saviour's Southwark, the parish in which he was born.

Such was the life and death of Mr. Abraham Newland. He was of the middle stature, somewhat athletic in his form, of pleasing features, and a cheerful aspect. His judgment in affairs of business was accurate, his apprehension quick, and his memory remarkably tenacious. In cursory conversation he had an unusual steadiness of attention, and was fond of disputation, even, perhaps, to a fault. He prepared himself for the pleasures of intercourse by a great variety of miscellaneous reading, and it seemed to be indifferent to him, whether the subjects were polemical, historical, or political; he read with equal avidity whatever book was put into his hands.

In his politics he was what is familiarly called, a king's man, adhering to the court party invariably, under every change of admini-

stration, rather from attachment to the reigning prince, than from any uniform approbation of the measures of the servants of the crown. Latterly, he was seriously affected by the rapid progress of the French power, and the cheerfulness with which he met every other discussion, forsook him on public affairs, when he adverted to the victories of Buonaparte, and his predominating influence over the nations of the continent. If the conversation in which he was engaged took this turn, he would sometimes express his disappointment and mortification with great vehemence, and would reprove those with some severity, who entertained those sanguine expectations of success, which he thought were dangerous to the security of his country.

He was through life esteemed to be correct in his morals, yet in his younger days he joined in the pleasures of the gay and the thoughtless, and frequented those public amusements where the temptations to intrigue and criminal dissipation are sometimes irresistible. In maturer years, when he entirely abandoned the science of music, he deserted these public exhibitions, and gradually contracted his acquaintance until it was reduced to a small but agreeable

society, with which he preserved friendship and intimacy to the last.

About a fortnight before the death of Sir Brook Watson, he walked with him from the South Sea House ; the Baronet was full of life, spirit and gaiety, happy in the present, and hopeful for the future, while Mr. Newland was uneasy, complaining, and expressing his expectation of death. During the last few months he would often illustrate the subject of the uncertainty of human life, by alluding to the confidence with which Sir Brook Watson expected its continuance, and the deficiency of foresight he shewed of his own real situation.

He had been, in some degree, deaf, for the last thirty years, and this defect increasing upon him, made him less inclined to general company. When the King and family, some few years ago visited the Bank, the Queen and Princesses paid very flattering attentions to Mr. Newland, but he could not hear at all what they said, and expressed much mortification at his infirmity.

The life of Abraham Newland will not be studied without advantage. No human being

was his enemy, he injured no one, he conferred benefits on all with whom he was connected, he lived in credit and usefulness, and he died in peace.

APPENDIX.

THE annexed documents appear to us of great interest, as they continue the history of the Bank down to the present moment, in some of its most important regulations on the subject, 1st, Of the management of the National Debt; 2dly, Of the application of the Unclaimed Dividends; and 3dly, Of a Loan of Money for the Public Service. To these we have it in our power to add, 1st, The Resolutions of the Committee of Treasury of the Bank of England of the 29th of January, 1808; 2dly, A Note delivered by the Chancellor of the Exchequer to the Governor and Deputy Governor, on the 2d of February; 3dly, The further Resolutions of the Court of Directors on the 4th of February; and 4thly, The Letter of the Chancellor of the Exchequer, to the Governor and Deputy Governor, of the 5th of February, 1808.

No. I.

Copy of a LETTER from the Chancellor
of the Exchequer to the Governor and
Deputy Governor of the Bank.

Downing-street, 23d December, 1807.

GENTLEMEN,

THE Paper which I have herewith the honour to transmit, contains the Outlines of such an Arrangement as it appears to me, upon the most deliberate consideration of the Second Report from the Committee on Public Expenditure, it would be my duty to propose to the Bank of England. The principles referred to in this Paper, the facts stated, and the proposals deduced from them, are, as you will perceive upon its perusal, in substance, the same as those which I have stated, and endeavoured to impress upon you, in the several conferences with which you have already honoured me upon this very important subject. My object, in making this written communication is, that you may be enabled to consider at your leisure, the expectations, which, in my present view of the case, it appears to me I am entitled to maintain and bound to uphold on the part of The Public; and the grounds on which these expectations rest. At the same time, it is my wish to have it distinctly understood at this early stage of

the business, that, sanguine as the expectation of The Public may be with respect to the advantages to be derived from a new arrangement with The Bank, and however satisfied His Majesty's Government may feel that, to the extent stated in my Proposals, such expectations are not unreasonable in the present state of affairs; and considering the present profits of The Bank, nothing can be more remote from the intentions of Government than to press these expectations to the infringement of any existing Contract or Engagement, or beyond what a fair interpretation of those Engagements might appear to them to justify.

Your own discretion will point out to you to what extent you may feel it necessary, in the present stage of the discussion, to consult with other Gentlemen in the Direction upon the subject of this Paper, and to impart its contents to them. It is only necessary for me to add, at present, that I shall at all times be ready to receive, with the utmost attention, any observations which you or they may have to offer on the subject, and that I shall abstain from requesting of you to submit any regular proposal to The Court of Directors, or to The Court of Proprietors at large, until I shall have received, and maturely considered, whatever remarks and suggestions may occur to you, or the

Gentlemen with whom you may advise, in consequence of the present communication.

I have the honour to be,

Gentlemen,

Your obedient humble Servant,

(Signed) S. PERCEVAL.

*To the Governor and
Deputy Governor of the Bank.*

No. II.

Copy of a PAPER inclosed and referred to in the Letter from The Chancellor of the Exchequer to The Bank ; of the 23d December, 1807.

The PROPOSALS founded on the Enquiries and Report of the Committee of Public Expenditure, and which are now made to The Bank, may be classed under three heads :

1st. UNCLAIMED DIVIDENDS.

2d. CHARGES of MANAGEMENT of the PUBLIC DEBT.

3d. BALANCES arising from DEPOSITS of PUBLIC MONEY in the hands of THE BANK.

1st. UNCLAIMED DIVIDENDS.

As it appears by the Report of The Committee, that the Unclaimed Dividends, amounted at that

period of the year 1806 at which they were at the lowest, namely, on the 8th July, to £.986,573; and that at the lowest period of some antecedent years they had not fallen below £.900,000 it is proposed to appropriate to the service of the ensuing year, under which similar provisions to those of the Act of 1791, c. 33, the sum of £.500,000, in addition to that of £.376,739, advanced under that Act; provided the balance shall not be reduced below £.100,000; and this will be merely carrying into effect the principle which was acted upon in 1791. No reasonable objection seems likely to occur to this Proposal, and it therefore appears unnecessary to go more at large into this part of the subject at present.

2d. CHARGES OF MANAGEMENT OF THE PUBLIC DEBT.

REFERRING upon this part of the subject, on the one hand, to the facts stated in the Report, and on the other, to the provisions of the Act of 1791, cap. 33, and of 1800, cap. 28, without feeling it necessary in this stage of the business, and in this Proposal, to advert in detail to the one or to discuss the other, it is conceived that the following Scale and Plan of Allowance for the Management of the Public Debt, would lead to an arrangement

under all circumstances liberal towards The Bank, and equitable towards The Public.

Taking the Debt Unredeemed, as it stood on the 5th of January last, at upwards of £550,000,000, it is proposed to reduce the Charge of Management upon it from £.450 to £.340 per million: and that all additions made to the Debt above £.550,000,000, shall be managed at the rate of £.300 per million. On the other hand, it is proposed, that in the event of the Unredeemed Debt being at any time reduced to £.400,000,000, the Rate of Allowance shall be then raised to £.400 permillon; and at or below 300,000,000 to £.450, its present rate, per million.

When it is considered that in the year 1786 it was proposed to reduce the Management upon a Debt of 224 millions only, from 560 to 360 per million, and that it was actually reduced to £.450, and that it was now proposed to apply this last Rate of Allowance to a Debt of 300 millions instead of 224, it will hardly be contended that with reference to the Principle only of the projected Scale, the proposal contains any thing unfair towards The Bank, while it is evident that it in no degree departs from the liberal principle upon which Government was at that time disposed to act. It must also be recollected that in the year 1786, when the reduction in the Management took place from £.560 to £.450 permillion, the Country was in

profound Peace, with every prospect of its long continuance, and with a Sinking Fund established for the gradual extinction of the then Debt, consequently, that the prospect of the yearly diminution of the Debt was probably taken into consideration when the allowance was fixed at £.450; and though we have no records upon the subject, it appears not unlikely that it was the prospect of this diminution which induced the Minister to allow £.450 per million, instead of £360, which had been computed to be fully sufficient upon a Debt of that magnitude, and strongly recommended by The Commissioners for Auditing the Public Accounts, upon whose Report of the 18th February, 1786, the Reduction appears to have been proposed. In point of fact, a considerable Reduction in the Allowance for Management must have taken place between 1786 and 1793, since which last period the pressure of War upon the Country has increased the Debt in a proportion exceeding that of *five to two*, without any diminution being effected in the rate of Management. To this it is hardly necessary to add, that if a decreasing Debt of 224 millions in 1786 could bear a Reduction of £.110 per million, it can scarcely be considered a hardship if a further Reduction to the same amount is made in 1808, upon a Debt of 550 millions, still annually increasing in amount with the protracted difficulties of the Country; especially as the Re-

duction is accompanied with a security to the Bank against the contingent, but it is to be feared, distant prospect of its reduction below certain stated amounts. To this view of the subject must be added, the sum of £.805. 15s. 10d. per million, for receiving the subscriptions to the Loan, a source of considerable annual advantage in time of war, and always in proportion to the annual increase of Debt by such Loan; by which Increase the more permanent allowance for Management is also so much augmented. Upon the supposition of the above Scale being adopted, no alteration is proposed to be made in the above Allowance.

3dly. BALANCES arising from DEPOSITS of
PUBLIC MONEY in the hands of The BANK.

THE Facts as to the amount of these Balances, as stated in the Report of The Committee, can admit of no difference of opinion; and it appears not impossible, that The Bank may, upon further consideration, be induced to concur in the inferences drawn from those Facts with respect to the Profit arising from such Balances, unless, whilst it is candidly admitted on the part of The Bank, “That the amount of *Public Balances deposited at the Bank is always followed by a corresponding issue of its Paper; and that The Bank derives an interest or profit from every issue of such Paper;*” The Bank should, at the same time, be prepared

to shew that *gratuitous* deposits of Public Balances; or, in other words, Bank Notes withdrawn from circulation and returned to The Bank, without, at the same time, *withdrawing from thence the security, or terminating the interest* upon which they were originally issued; and which Notes so withdrawn, are replaced in the circulation by a corresponding issue of *new notes upon new securities*, bearing *new interests*, do not afford Profit in an exact proportion to the combined amount of these new issues, and of the rate of interest on these new securities. The following Plan, therefore, of a direct and proportionate participation in those Profits so derived, is proposed as more simple; and likely, from its not interfering with the established course of business either at The Bank or at the Exchequer, to be more satisfactory than the other arrangement, which will be hereafter detailed, as the alternative to which recourse might be had for rendering the profit of those Balances available to the Public, in case this Proposal should not be preferred by the Bank.

The proposal is, that The Bank should, on or after the 5th April next, advance for the service of the year 1808, and without interest, a Sum equal to one *half* of the average amount of the Public Balances which shall then appear to have been deposited in The Bank in the course of the year

terminating upon that day; subject, however, to the following understanding and conditions:

1st. That for the object of this arrangement, the whole amount of Unclaimed Dividends should be considered as forming part of the Balance in the hands of The Bank:

2d. That, from the half of this Balance to be lent to the Public, the following deductions should be made: 1st. The whole sum actually lent to the Public on account of Unclaimed Dividends; and

2dly, £. 1,200,000 being the value in capital of the difference between the interest now paid for £.3,000,000 advanced in 1800, and the interest at 5 per cent. on the same.

3dly, That an average of the Balances in the hands of The Bank, in like manner, be taken on the 5th of April 1809; and, in case such average amount shall be less than it had been for the preceding year, The Bank shall be entitled to interest at the rate of five pounds per cent. per annum, on the moiety of the difference between the Balances of the two years: on the other hand, should it be greater, The Bank shall advance, without interest, one half of the excess for the service of the year 1809, and so on for future years during the war.

4thly, That this Arrangement should continue upon the scale and principle now proposed only during the war, and for one year after the conclusion of a peace; within which period it is

conceived, it would be just to The Bank, as well as proper on the part of the Public, to have this part of the Plan again under consideration, and to modify it according to the change of circumstances which would follow from the restoration of peace.

At the same time, the principle of the Arrangement appears so equitable and unobjectionable, as connected with the present wise system of keeping Public Money of every description in The Bank, that the only modification which now occurs, as likely to be necessary on the return of peace, is, that, if the average amount of these Balances should be then much diminished, the Public ought to be contented with a less proportion of the advantage derived from them; and, perhaps, if one half appears reasonable upon so large a sum as ten millions or upwards, two-fifths might be deemed an adequate proportion upon a Balance not more than eight, nor less than six, and one-third upon a Balance fluctuating between six and four millions; below which it is conceived there is no prospect of its being at any time reduced.

If, however, The Bank should not upon reconsideration, feel the truth and accuracy of the conclusions drawn by The Committee, respecting the advantages derived from the use of The Public Balances, and should continue of opinion that they are not productive of profit to them, upon which

supposition, The Bank can have no objection to a Plan which would give to The Public the advantage of making use of those Balances without interest, instead of paying interest for money to a similar amount; it is then proposed, that, instead of the growing receipt of The Exchequer in Bank Notes being daily withdrawn by The Bank, or remaining deposited in The Exchequer, it should be rendered available to the daily wants of The Public in the following manner; namely, that the proper officers for the issue of Exchequer Bills should, out of any Bills in their hands granted by Parliament for The Public Service, deposit daily in the Tellers' Chest at The Exchequer, a sum of the said Bills equal to the sum in Notes to be withdrawn, and according to the same form and usages (as nearly as circumstances will permit) as now prevail in the daily deposits, made by the Bank, of Exchequer Bills belonging to them, in order to enable them to withdraw the Notes from the chests of the Tellers. The Notes so withdrawn to be applicable to The Public Service, whilst The Exchequer Bills deposited, would be security to the Tellers and to the Public. Such Exchequer Bills, so deposited, would not, so long as they continued in the Tellers chests, bear Interest, and this saving of Interest upon these Bills, is what would constitute the principal advantage to The Public. It is intended, that the deposit of Exchequer Bills

by Government should not, with respect to the Receipt of The Exchequer on account of the Consolidated Fund in any one quarter, amount to more than £5,000,000, nor interfere with the existing practice of The Bank to deposit Exchequer Bills of their own, bearing interest, for any sum which may be in the Exchequer beyond that amount.

Under the operation of this Plan, the Receipt of the Exchequer will, on the quarter day, consist of Five Millions of Exchequer Bills deposited by the proper Officers of The Exchequer, and bearing no interest, and the remainder either in Bank Notes or in Exchequer Bills, belonging to The Bank, and bearing interest for their benefit, which may (should they think proper) be deposited by them under the present regulations, as soon as the other deposit had amounted to the sum of £5,000,000. Out of this sum, or whatever sum short of it may have been so deposited by the proper Officers of The Exchequer, it is proposed to set aside, first, the quarterly Charge upon the Consolidated Fund for the Civil List; such Bills to be issuable under the direction of the Lords Commissioners of The Treasury, at such times as it may be necessary to dispose of them for the purpose of paying the quarterly demands on the Civil List; and to bear interest only from the date of their

actual issue. 2dly, The quarterly sum issuable to The Commissioners for the Reduction of the National Debt, as well on account of the original Million and two hundred thousand Pounds as on account of the Sinking Funds attached to the several Loans since 1791, and of the Dividends upon the Debt redeemed up to that quarter, the whole being a charge upon The Consolidated Fund; such Exchequer Bills to be issued by the said Commissioners in the course of the ensuing quarter, in such manner, as to provide them with the means of making their daily purchases, and to bear interest from the date of their issue only. 3dly The surplus, if any, of the Consolidated Fund for the quarter applicable to the service of the year, to be issued, as wanted for The Public Service, in like manner under the sanction of The Commissioners of the Treasury. For the conversion into cash of any part of the Five Millions of Exchequer Bills, which would still remain unappropriated, it would be necessary to have recourse to The Bank; but, considering that the amount of this remainder could in no case much exceed Two Millions, and that it would generally be much less; that the total amount of Exchequer Bills to be issued by the Treasury within the year cannot be increased; and that the average amount outstanding must be diminished by this arrangement, there seems no possible reason to

apprehend, that the granting of this accommodation (independently of their general disposition to accommodate The Public Interest) can be attended with any inconvenience to The Bank, or that it can ever lead to their being pressed to hold a greater amount of these securities than will suit their own interest. In point of fact, it must be obvious, that the only necessary tendency of this Plan will be, to diminish the total amount of Exchequer Bills at any given time, jointly in the hands of The Bank, and in the market. If The Bank continue desirous of holding the same amount which it now finds convenient to take, the period at which it will be enabled to procure them in exchange for its own Notes, will be retarded, and, on the supposition of The Bank holding Exchequer Bills to the same amount as it now does, the quantity circulating in the market will be necessarily reduced.

Should this Arrangement be preferred, it is proposed that it should be equally liable to be reconsidered within one year after the termination of the war.

It is only here necessary further to observe, that Exchequer Bills, exceeding what would be required upon this Plan, to be deposited in any quarter, are, as the law now stands, payable into the receipt of the Revenue, and consequently that; without any fresh legislative enactment, or without

laying itself open, by any possible construction, to the imputation of trenching on the privileges of The Bank, Government might, *intransitu*, exchange the Bank Notes received in the different departments of the Revenue for Exchequer Bills, which would then be paid by the different Receivers General into The Exchequer. But the mode now proposed would be more simple in its execution, and less liable to interrupt that good understanding, founded on liberal principles, which ought at all times to exist between The Government and The Bank, and which it is certainly not less the interest, than it will undoubtedly be felt to be the duty, of both parties to maintain in the discussion of the present Arrangements.

No III.

Copy of a separate PAPER, enclosed in the Letter of The Chancellor of the Exchequer to The Bank, dated 23d December, 1807.

It being understood to be the wish of the Governor and Deputy Governor of The Bank, as well as of those in the Direction with whom they have consulted, that, whatever proposal is made by

Government, it should, at least in the first instance, be founded upon a fair and equitable review of existing arrangements; taking into consideration the services derived to The Public on the one hand, and on the other the advantages accruing to The Bank, instead of such proposal being limited by a strict reference to the letter of any actual contracts or engagements;---this wish, which is certainly more liberal, and more becoming to the character both of The Government and of The Bank, has been carefully attended to in what has been proposed in the accompanying Paper, under the head of REDUCTION IN THE CHARGES OF MANAGEMENT.---But as some conversation has already taken place respecting the arrangements made in this respect, as well by the Act of 1791, cap. 33, as by the Act of 1800, cap. 28, and as they are also referred to in the Report of the Committee on Public Expenditure, it may be necessary, perhaps, thus separately to offer a few short observations upon these engagements.

It cannot be disputed that by the Act of 1791, cap. 33, The Bank acquired a title to be paid at the rate of £.450 per million for the management of the then Debt; and that this title remains to this day entire and unquestionable, with respect to so much of that Debt as is not yet paid off.

The amount of Debt existing on the 5th April of that year, was £.219,685,195. The amount of

Debt redeemed by the operation of the then Sinking Fund, and its accumulation, and by the redemption of the Land Tax, up to the 1st of February 1808, is £.78,939,669; leaving unredeemed on the 1st February next, £.140,745,526. For the management of this Debt, subject to the further reduction which will be daily effected by the above-mentioned Sinking Fund and its accumulation, and by the further redemption of Land Tax, The Bank would have a clear right, under contract, to an allowance for management at the rate of £.450 per million; unless it should appear upon further investigation, that The Public have a right to deduct from the total amount of Debt, as it stood in 1791, the total amount of Debt since paid off and cancelled by all or any of the Sinking Funds, or other means The Public has appropriated to that purpose:—a question which, when it is considered that, with a reference to any *augmentation* or *diminution*, the Debt is considered as *one account*, and that, in point of fact, both the several Debts and several Sinking Funds were consolidated in 1802, may, it is conceived, fairly admit of an argument; and in this case, the total of Unredeemed Debt to which this contract would apply, would be about 90 millions.

By the Act of 1800, cap. 28, it is enacted (*inter alia*) “That during the continuance of the Charter, The Bank shall enjoy all profits, emoluments, benefits and advantages whatsoever, which they

now have, possess, or enjoy by virtue of any employment by or on behalf of The Public," but with the following proviso, "subject nevertheless to such *restrictions, rules and directions*, and also to such other *agreements, matters, and things*, as in the said Acts and Charters, (i. e. all former Acts and Charters) or any of them now in force, are contained or prescribed."

It is remarkable that the Act of 1791 is not specifically adverted to; it is only by the general words of reference to all other Acts and Charters, that it can be comprehended, and therefore it may be fairly argued, that the specific rate of allowance for management granted by that Act, was not particularly under attention, for if it had been, it can hardly be conceived that it would not have been specially adverted to; and it is unquestionable, that the proviso last mentioned, as much refers to the *directions and rules and powers of agreement* granted to the Treasury, with respect to the allowance for management in the Annual Loan Bill, as to the Act of 1791. Their Charter, therefore, reserving to them all the benefits which they then had by virtue of any employment for The Public, subject to this proviso, must be understood to reserve to them the *right* of management, but subject as to the *amount* of management, to what the Treasury may think reasonable.

If, however, notwithstanding this view of the case, and contrary to every expectation, The Bank were now to assert, and were enabled to make good a claim to be allowed at the rate of £.450. per million on such portion of The Debt, as it stood on the 5th April 1800, as has not since been redeemed, there would remain at this moment about 250 millions only (the whole Debt being 613 millions) to which any new scale of allowance could be applied. But if such claim were insisted upon, and if The Bank were advised to stand upon the strict and literal execution of a contract, which, as far as it rests upon the act of 1800, is only to be maintained (if tenable at all) by general implication and reference, whilst it must be obvious, that this same contract, by the continued and unforeseen operation of those very circumstances which create pressure and difficulty in the Country, is become improvident and disadvantageous to The Public, and, in the same proportion, over-productive to The Bank; and that their profits are in like manner greatly increased by many other transactions, necessarily incident to and growing out of that pressure and those difficulties; I should certainly, under such a contingency, feel it to be no unreasonable expectation, and should be called upon by my duty to urge it to the utmost, on the part of The Public, that for

the above 250 millions, that part of The Debt with respect to the allowance for the management of which no specific contracts can be said to exist, such allowance should be confined as nearly as possible to the increased charge which may be supposed to be actually incurred by The Bank, in consequence of this addition to the Debt of 1800; so as to obtain, if not immediately, at least within a short period, by the rapid diminution of the latter, an abatement equal to a fair and immediate average abatement upon the whole.

It is unnecessary to go into particular calculations upon such a subject; but it must be obvious that supposing the rate of allowance for the portion of The Debt not subject to the supposed contract of 1800, to be managed at a rate as high as £.300 per million (a rate, which under the circumstances here stated, and with a view to an *average*, it would not be reasonable to expect), a very few years would elapse (probably not more than ten years) before the whole allowance for management would be less, under any given circumstances, than is now proposed, whilst the reduction of allowance would be still going on, so long as any of the Debt of 1800 should remain, without any security to The Bank for an encreased rate, should the whole Debt at any future period be reduced below certain stated amounts.

No. IV.

Copy of a PAPER communicated to The Chancellor of the Exchequer by The Governor and Deputy Governor of The Bank; in reply to his Letter and Proposals of the 23d December, 1807.

THE Committee having taken into consideration the Proposals suggested by The Chancellor of the Exchequer; beg leave to return the following Answer, and Observations :

They are of opinion, that a farther Advance, to the extent of £.500,000, on account of the Unclaimed Dividends, may be acceded to, on the part of The Bank, on similar Conditions with the former Advance.

The Committee, ever anxious to promote the interest of the Public, as well as of their Proprietors, are of opinion, that a Reduction on the rate of Management of the National Debt, as proposed by The Chancellor of the Exchequer, may, with some modifications of no very great moment, be consented to on the part of The Bank.

In regard to the large Sums of Public Money of the Exchequer, and the Balances of the Public drawing Accounts in the hands of The Bank, these, however considerable at particular periods, must necessarily always be of an uncertain and fluctuating amount; for which reason, and for others continually operating in the great scale of their business of banking, The Committee deem it im-

possible to ascertain, with any degree of precision, the profits that may be made, arising from the employment of those Balances. But, on all accounts they are of opinion, that it would be highly imprudent for The Bank to make an advance to Government in the way of Loan of a capital sum of money equal to one-half of their presumed amount, even with the deductions proposed.

They therefore cannot recommend to their Court, for the purpose of being brought before the Court of Proprietors, the first mentioned Plan or Proposal, in respect to those Balances.

But, as the Paper suggests another mode, by which the Exchequer itself may make advantage of the Public Money paid into the Exchequer; The Bank neither can, nor ought to make an objection thereto, or to any Plan obviously intended for the benefit of the Public. On the contrary, any facilities conveniently in their power, the Committee have no hesitation to say, The Bank will always with alacrity afford.

It should, however, be understood, that if this plan be adopted, The Bank should not *be obliged* at the end of every quarter to purchase, or take, on that account, Exchequer Bills to a larger amount than two millions.

The Committee, however, are aware, that possibly it may not altogether be a desirable circumstance in the management of this business in the Exche-

quer, to overturn the forms of office, and a system, that has been established and acted upon for a very great number of years; and that sometimes, what seems tolerably easy in prospect, may not always be found perfectly so in practice. They, therefore, on their part, beg leave to suggest a Proposal, which possibly may deserve the consideration of The Chancellor of the Exchequer, and be more acceptable, and eventually even more profitable to Government, than the mode just mentioned. It is much less complex in its nature, and demands no alteration nor innovation on the present practice, which is perfectly well understood. It consists only in The Bank paying a certain sum of Money, annually, into The Exchequer, for the use of The Public, on the condition, that the Public Money shall continue to be kept in the hands of The Bank, and the accounts between The Exchequer and The Bank continued according to the present practice. In that case, and on that condition, the Committee are of opinion, they might conscientiously propose to their Court to recommend the Court of Proprietors to pay into the Exchequer, for the use of The Public, the sum of £. . . . annually, during the continuance of the war; and whenever the period of peace arrives, this subject, and others of great moment, will probably require farther consideration.

The Chancellor of the Exchequer will be pleased

to turn this suggestion in his mind, and determine which of the two Plans he shall prefer to propose to The Bank.

With respect to the quarterly issue for the Redemption of the National debt, the present Committee are unanimous in most solemnly deprecating any alteration in the present mode of conducting that very important branch of the public business, or diverting any part of its Funds, to any other purpose, than that to which by law they are appropriated, and which has so happily been enacted by the Legislature. The system hitherto pursued has given universal satisfaction to The Public, as well as to the stock-holders, and has evidently been attended with the most beneficial effects on the Public Credit of the Nation.

The Committee have no object of profit in view from the quarterly issue of this Money, which, they flatter themselves, can be no where safer than in the custody of The Bank. They look on this Money as a sacred deposit, to be applied and paid only, agreeably to the terms of the Acts of Parliament in the daily purchases of Stock by the Commissioners, and to be employed or used in no other manner.

No. I.

Copy of a LETTER from The Chancellor
of the Exchequer to The Governor and
Deputy Governor of The Bank.

Downing-street, 11th January, 1808.

Gentlemen,

IN the several conferences and communications which I have lately had the honour of holding with you, respecting the expectation formed by me, on the part of The Public, of an Advance by The Bank for the Public Service, the particular grounds of that expectation have been discussed under three heads, namely ;

1st. Unclaimed Dividends.

2dly. The Charge for the Management of the Public Debt.

3dly. Balances arising from Deposits of Public Money in the hands of The Bank.

Having most maturely considered every thing that has passed between us, in these discussions, I now feel myself enabled and called upon to make to you the following Proposals, under each of the above Heads ; and I request that you will submit them to the Court of Directors, for their consideration and concurrence.

1st. That out of the Unclaimed Dividends a sum of £.500,000 shall be advanced for the service of the present year, under similar provisions

to those contained in the Act of 1791, cap. 33, and in addition to the sum of £.376,729, already advanced upon that account; but so as to secure that the amount of such Dividends remaining in The Bank shall never be less than £.100,000.

2dly. That the sums to be allowed to The Bank for the Management of the Public Debt, shall, from and after the 5th of April next, be regulated by the following Scale :

When the total amount of Debt Unredeemed shall exceed 400 millions, and not exceed 550 millions, The Bank shall receive an Allowance for Management at the rate of £.340 per million per annum upon the whole of such Debt :

And when the total amount of such Debt shall exceed 550 millions, The Bank shall receive the allowance of £.340 per million for such 550 millions; and for any excess of Debt which may now exist, or may hereafter be created, beyond 550 millions, the rate of Allowance for Management shall be £.300 per million for the whole of such excess.

I have only further to propose on this part of the subject, that the £.4,000 paid to The Bank by The Exchequer, under the denomination of "House Money," should be discontinued; but it is not my intention, if the above Proposals are acceded to, to suggest any alteration in the established rate of Allowance for receiving Contributions to the Loan or to the Lottery.

The consideration of what may be the proper rate of Management in the event of the Debt Unredeemed being reduced below 400 millions, may be reserved for subsequent arrangement when such an event may take place.

3dly. With respect to the Public Balances; although I have not been so fortunate in the several conferences which we had upon the subject, as wholly to convince you, that the advantages derived to The Bank from the deposit of those Balances, must be in proportion to their average amount; I am not the less firmly convinced in my own judgment of the truth and accuracy of this position; and having, I think, succeeded in fully satisfying you, that a Plan, the outlines of which I have had the honour of stating to you, might easily be devised, and with the sanction of Parliament carried into effect, by which these Balances might, to a very great extent, be rendered productive of profit to The Public; you must be sensible, that, however desirous I may be of avoiding to trouble you with any further discussion of the mode in which, according to my judgment, advantage is derived to The Bank from the Public Balances, or of the precise extent to which those advantages are carried, it would be altogether inconsistent with my duty to The Public, in the view which I have now shortly stated, to avoid pressing upon the consideration of The Bank, the

expediency of ensuring to The Public, in some shape or other, that reasonable degree of profit which they are entitled to expect, and which, as I have already observed, it is within the competency of Parliament to secure to them, from the use of those Balances. As, however, any plan for this purpose to which The Bank might not be a party, though free from objection in its principle, could not be carried into execution without a departure from the course of business which has so long subsisted between The Bank and The Exchequer, I should on that account prefer an arrangement promising even something less of advantage to The Public, which would leave this course of business in its accustomed channel; and, as I cannot doubt but that The Bank will concur with me in preferring to avoid any deviation from a long established system, it appears probable, that from this and other considerations, it may be more satisfactory to them, as it will certainly be to me, that the one or the other of the following Propositions, (unquestionably not formed upon any too sanguine view of the comparative profit which in another mode might be obtained for the Public) should be acceded to by the Bank; viz.

That the Bank shall, on or before the 5th of April next, advance to the Public for the service of the year, a Loan of £.3,000,000. without interest, but the principal to be secured by Exchequer

Bills payable twelve months after the ratification of a definitive treaty of peace: Or, that the Bank shall, on or before the 5th April in the present and each succeeding year during the continuance of the war, and within twelve months after the termination thereof by a definitive treaty of peace, pay into the receipt of the Exchequer, there to be held at the disposal of Parliament, the sum of £.150,000. sterling.

In proposing this alternative in the mode of affording to the Public that degree of aid which, upon the most moderate principle, and with a reference to the advantage that might otherwise be obtained, it appears reasonable to expect on account of the deposit of Public Money in the hands of the Bank, I feel it a duty at the same time to urge, in the strongest manner, the superior convenience and advantage which would accrue to the Public Service, from the adoption by the Bank of the proposed Loan, instead of an equivalent Annual Payment into the Exchequer. In stating this comparative view of the two Proposals, and my decided opinion in favour of the advance by way of Loan, I cannot doubt, from the general disposition of The Bank, that it will be a most powerful motive with the Court to give a preference to that proposal; unless, from some reason of which I am not aware, it should appear to them absolutely ne-

cessary for the interests of The Bank to confine themselves to an Annual Payment.

In order to prevent the possibility of any future misunderstanding of the principles and grounds on which the present arrangement, as far as relates to the deposits of Public Balances, is brought forward, I think it necessary to observe, that the Proposal to confine the duration of the advance by way of loan, or of the Annual Payment into the Exchequer, to the period of the present war, and twelve months after the termination of it, is by no means to be understood as an admission on my part, that, at the expiration of such period, The Public will no longer be entitled to look to any advantage from the continuance of such Deposits; but simply as a provision, by which The Government and The Bank may be respectively enabled, under the change in the state of affairs which will then have taken place, probably affecting the amount of Public Balances in the hands of the latter, to consider of a new arrangement. And I have further to add, that, as the Proposal I have now made is founded on the view I have taken of the present annual average amount of those Balances, assuming that amount to be not less than Ten Millions Sterling, I wish it to be understood that the present arrangement, if carried into effect, should not be construed to preclude His Majesty's Government (with the sanction of Parliament if necessary) from using in such man-

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ner as they might think proper for The Public Interest, and consistent with any existing engagement with The Bank, any excess of Balance over and above the said Ten Millions, if it should appear that such excess were likely to be permanent and of sufficient magnitude to call for some application of it, by which, without interfering with the arrangement now proposed to The Bank, it might be rendered productive of advantage to The Public; but without calling upon The Bank for any direct assistance beyond the amount now proposed; an assistance which, whatever difference of opinion may exist as to the circumstances by the operation of which they are enabled to grant it, will, I cannot doubt, upon a fair consideration of the whole case, appear to be entirely consistent with those principles of equity and mutual liberality which ought to prevail in the adjustment of so important an Arrangement, growing out of the extensive transactions existing between The Public and The Bank.

I have the honour to be,

Gentlemen,

Your obedient humble Servant,

SP. PERCEVAL.

*To the Governor and
Deputy Governor of The Bank.*

No. 2.

Copy of a PAPER, intituled, "RESOLUTIONS of the Court of Directors."

14th January, 1808.

Resolved,

That the Proposal of The Chancellor of the Exchequer, to take £.500,000 from the Unclaimed Dividends, in addition to the former sum of £.376,739, be acceded to by this Court

Resolved,

That in respect to the rate of Management, the following Scale be proposed :

On £600 millions at £340 per million.

—	13	do.	300	do.
—	400	do.	450	do.
—	300	do.	500	do.

Resolved,

That in respect to the £.4,000, for Management, allowed by the first Charter, it is not expedient to make any alteration in that allowance, being part of the £100,000 per annum, continued from the foundation of The Bank.

Resolved,

That the Court of Directors do accede to the Proposal of The Chancellor of the Exchequer, to lend, for the use of Government, £.3,000,000. on Exchequer Bills, without interest, during the

war; provided it is stipulated to be returned within six months after the ratification of a Treaty of Peace, and under the complete understanding that all transactions between The Public and The Bank shall be continued in the accustomed manner, even though the amount of Public Balances should exceed the sum of Ten Millions.

No. 3.

Copy of a LETTER from The Chancellor of The Exchequer, to the Governor and Deputy Governor of the Bank.

Downing-street, 15th Jan. 1808.

GENTLEMEN,

The liberal disposition which has been manifested by The Court of Directors, to concur in the principal arrangements which I have thought it my duty to suggest for their consideration, has afforded me great satisfaction.

While I feel convinced that my Proposal has not lost sight of The Public Interest, the manner in which it has been received by the Bank, confirms me in thinking, that it has not proceeded without a due consideration also of the fair and reasonable interests and expectation

of that respectable Corporation. Under this impression, I am strongly inclined to give way to the suggestions of The Bank in the minor parts of Arrangement, and will therefore accede to the Scale of Allowances therein proposed for the management of the Public Debt, so far as it applies to present circumstances, or to such as can be expected to occur within any short period.

In this view, therefore, I shall not object to the alteration by which it is proposed that the allowance to be paid by The Public for management, shall be at the rate of £340. per million upon any amount of Debt between 400 and 600 millions inclusive, instead of limiting that rate of Allowance to any amount between 400 and 550 millions, as I had intended; and according to this Arrangement, the reduced rate of £.300. per million will be allowed upon any excess of Debt now existing, or which may hereafter be created, above £600 millions, instead of commencing from the amount of £550 millions.

But with respect to the Proposal for increasing the rate of allowance for Management to £.500 per million, in case the Unredeemed Debt should be reduced to 300 millions, I am persuaded that upon reconsideration, the Court of Directors will agree with me in the difficulty, or rather the impossibility, of my proposing to Parliament, at

this moment, to grant a higher rate of Allowance upon a debt of 300 millions, than was granted by law in 1791 upon a decreasing debt of 220 millions; and I trust that they will consent to withdraw this part of their Resolution. In stating this, I by no means intend to undervalue the reasons which may be urged to shew that circumstances may perhaps have occurred to render some increase not unreasonable; but the event which would bring these circumstances most properly under consideration, is, I am afraid, removed to such a distance, that the Court of Directors will, I hope, find no difficulty in agreeing with me to wave the discussion of this point for the present.

With respect to that part of their Resolutions, by which the Court of Directors agree to advance “£3,000,000 on Exchequer Bills, without interest, during the war, provided it is stipulated to be returned within six months after the ratification of a definite treaty of peace, and under the complete understanding that all transactions between The Public and The Bank shall be continued in the accustomed manner, even though the amount of Public Balances should exceed the sum of ten millions;” The Proposal to limit the repayment to six months instead of twelve, after the ratification of a definitive treaty of peace, is an at-

teration in the arrangement from which I do not feel myself disposed to dissent, as this abridgement of the term has probably appeared of importance to The Court of Directors.

With respect to the understanding under which The Court is willing to lend the sum of Three Millions, I have only to observe, that, subject to this advance, it never was my intention to attempt, during its continuance, any alteration in the course of business between The Bank and The Exchequer, or to propose to withdraw from The Bank any account now by law directed to be kept there. This explanation will, I trust, be entirely satisfactory to the Court of Directors; and I have only to add, that subject to the modification now proposed respecting the Management, I shall be ready to submit to Parliament, to sanction an Agreement, founded in every respect upon those Resolutions.

I have the honour to be,

Gentlemen,

Your obedient humble servant,

SP. PERCIVAL.

*To the Governor and Deputy Governor
of The Bank.*

No. 4.

Copy of a LETTER from The Chancellor of the Exchequer to The Governor and Deputy Governor of The Bank.

Downing-Street, 19th Jan. 1808.

GENTLEMEN,

Referring to the several Communications which I have had the honour of holding with you, and to the Correspondence which has passed between us, on the subject of an arrangement to be formed between The Public and the The Bank; and especially to the Proposals which I transmitted to you on the 11th instant; to the Resolution of the Court of Directors of the 14th instant, suggesting certain alterations in those Proposals; and to my Letter of the 15th instant, consenting in part to those alterations; I think it proper, in order to remove every possibility of misunderstanding between us, briefly to recapitulate the terms of the arrangement, which I have expressed my readiness to submit to Parliament, in case it should meet with the final concurrence and assent of The Bank,

Under the three following heads; viz.

1st. Unclaimed Dividends.

2d. Allowance for Charges of managing the the Public Debt.

3d. Public Balances kept at The Bank.

I have proposed ;—

1st. That The Bank shall now advance out of the Unclaimed Dividends in their hands, the sum of £.500,000 for the use of The Public, in addition to the sum already advanced out of that Fund pursuant to the Act 31 Geo. III. cap. 33. and under similar conditions ; provided always that the amount of such Dividends remaining in The Bank, shall not be reduced below £.100,000.

2dly. That for the Management of the Public Debt, The Bank shall henceforward be allowed as follows :

£.340 per million per annum, upon the whole of the Unredeemed Debt, whenever it may amount to 400 millions, and not exceed 600 millions.

£.300 per million per annum, upon the whole amount of any excess of Debt Unredeemed above 600 millions ; the said 600 millions continuing in such case to be managed at the aforesaid rate of £.340 per million per annum.

£.450 per million per annum, upon the whole Unredeemed Debt, whenever it may exceed 300 millions, and not amount to 400 millions.

And that with respect to the Rate of Allowance which it may be proper to fix for the Management of any Debt less than 300 millions, it has been deemed adviseable to defer the consideration of that subject until the actual diminution of the Debt may be such as to require some determination upon it.

3dly. That the Bank shall, on or before the 5th of April next, advance for the Public Service in the present year, £.3,000,000 by way of Loan, without interest; the principal to be secured by Exchequer Bills, to be deposited in the hands of the Bank, payable at the expiration of six months after the Ratification of a Definitive Treaty of Peace.

And it is understood that during the continuance of this Advance by the Bank, no alteration is to be proposed in the general course of business between The Bank and The Exchequer, nor any regulation introduced by which the Accounts now by Law directed to be kept at The Bank, shall be withdrawn from thence.

I have the honour to be,

Gentlemen,

Your obedient humble servant,

SP. PERCEVAL.

*To the Governor and Deputy Governor
of the Bank.*

No. 5.

Copy of a PAPER, intituled,
“RESOLUTION of The Court of
Directors, on Mr. Perceval’s Letter
of the 19th January, 1808, and re-
commendation thereof to The General
Court.”

At a Court of Directors, at The Bank, on
Thursday the 21st January, 1808, the following
Letters from The Chancellor of The Exchequer
being read; viz.

“*Downing-street, 15th January, 1808.*”

“Gentlemen, “The liberal disposition,”
&c.

“*Downing-street, 19th January, 1808.*”

“Gentlemen, “Referring to the several,”
&c.

The Governor acquainted The Court, that
the Committee of Treasury having considered the
said Letters, recommend, that the terms pro-
posed in the Letter of the 19th instant be com-
plied with.

The Court agreed thereto.

Resolved,

That the Chancellor of The Exchequer’s
Letter, of the 19th instant, be laid before the
General Court; and that the Governor be au-
thorized to inform the Proprietors, that this

Court is of opinion, that the Proposals contained in the said Letter be acceded to.

No. 6.

Copy of a PAPER, intituled,
“RESOLUTION of The General
Court on Mr. Perceval’s Letter of
the 19th January, 1808.”

At a General Court of the Governor and Company of The Bank of England, held at their Public Office in Threadneedle-street, on Thursday the 21st January, 1808;

The following LETTER from The Chancellor of the Exchequer being read, viz.

“*Downing-street, 19th Jan. 1808.*

“Gentlemen, “Referring,” &c.

The Governor further acquainted The Court, that The Court of Directors, having taken the said Letter into consideration, are of opinion to recommend to this Court to comply with the Proposals contained in the said Letter.

The question was then put, That the Proposals contained in the above Letter, be complied with on the part of The Bank?

And carried in the affirmative.

A Copy of certain RESOLUTIONS
of the Committee of Treasury of The
Bank of England, of the 29th of
January, 1808 ; communicated by
the Governor and Deputy Governor,
to The Chancellor of the Exchequer.

BANK OF ENGLAND.

At a Committee of Treasury,
the 29th Jan. 1808.

The Committee are of opinion, That it will be
contrary to the spirit of their Agreement, and
of the compliance of their Court, and the
General Court, with the request of the Chan-
cellor of the Exchequer, to withdraw from The
Bank any sum from the current half-yearly money
that has been issued for the payment of Divi-
dends : as the Dividends of the current half-
year are not considered by The Bank and The
Public, or by the Act of Geo. III. cap. 33. as
Unclaimed Dividends, but as current Dividends
in the course of payment.

They are further of opinion, That £.100,000.
is as small a sum as can, with propriety, be left
to answer the Claims for Dividends payable ante-
cedent to the current half-year : and they
desire they may be understood to reserve to The
Bank, the right of publishing a List of Un-

claimed Dividends, from time to time, as they have hitherto done.

A Copy of a NOTE delivered by The Chancellor of the Exchequer, to the Governor and Deputy Governor of The Bank, on the 2d February.

In answer to the Resolutions of the Committee of Treasury, of the 29th instant, it is necessary to observe, that no view of Public Advantage, however specious, should induce Government to adopt any measure which could have the possible effect of impairing, in any respect, the claim of any individual Creditor to his Dividend, or the means of instantly satisfying that claim whenever it may be made.

The Question, therefore, to be disposed of, is this : Whether any such risk can possibly arise out of a proposal founded upon the principle of leaving in the hands of The Bank the sum of £.100,000. after discharging all Demands which shall have been made upon them, up to the close of that day of each Quarter on which the Balance of Unclaimed Dividends must necessarily be at the lowest ; namely, on the day immediately preceding the issue from the Exchequer of the whole sum due for the ensuing

Quarter? The distinction, therefore, between the Balance of the current Quarter, and that of the preceding period, is immaterial, the only consideration ought to be, that there shall be no moment, in any Quarter, in which risk should exist of any demand that may have accrued, whether in the current or any preceding Quarter, not being satisfied as soon as made. In the proposed arrangement, this consideration is amply provided for.

Why the Committee of Treasury should appear to suppose that there should be any desire to restrain The Bank from publishing, as often as it might think proper, a List of Unclaimed Dividends, it is impossible to conjecture; but as the supposition has been introduced it may not be unnecessary to observe, that it is now, as it has always been, the wish of Government to give every possible facility to the Public Creditor in tracing and in obtaining payment of his just Claims upon The Public; and any measures which The Bank may find expedient for that purpose, will certainly have the approbation of Government.

A Copy of certain RESOLUTIONS of the Court of Directors of The Bank of England, communicated to The Chancellor of the Exchequer on the 4th February.

At a Court of Directors at The Bank, on Thursday, the 4th Feb. 1808.

Resolved,

That the Governor and Deputy Governor be requested to wait upon The Chancellor of the Exchequer, and to represent to him, that the Court of Directors cannot consent to any deviation from the Resolution of the Court of Proprietors of 21st Jan. 1808; viz.

“That The Bank shall now advance out of
“the Unclaimed Dividends in their hands, the
“sum of £.500,000. for the use of The Public,
“in addition to the sum already advanced out
“of that Fund pursuant to the Act 31 Geo. III.
“cap. 33. and under similar conditions: Pro-
“vided always, that the amount of such Divi-
“dends remaining in The Bank, shall not be re-
“duced below £.100,000.

Copy of a LETTER from The Chancellor of the Exchequer to The Governor and Deputy Governor of The Bank of England ; dated 5th of February, 1808.

Downing-street, 5th Feb. 1808.

GENTLEMEN,

In reply to the Resolution of the Court of Directors, which you have done me the honour of communicating to me, stating that they cannot consent to any deviation from the Resolution of the Court of Proprietors of the 21st of January, relating to the proposed advance by The Bank, in consideration of the Balances in their hands on account of Dividends remaining unpaid ; I have to express my extreme regret at the misunderstanding which appears, from your explanation of that Resolution, to have prevailed between you and myself in all our late correspondence, with respect to the precise application of the term *Unclaimed Dividends* ; and I cannot but observe at the same time, that even the Court of Directors themselves appear to have been under some misapprehension as to the nature of the agreement which they proposed to consent to, since they offered to advance for The Public Service the specific Sum of £.500,000, under

certain conditions; whereas it now appears, that, as they understood those conditions, it was not possible for them to do so.

Being however fully sensible of the obligations by which the Court of Directors are restrained from giving the assent of The Bank to the Agreement in question, except under the condition and understanding according to which they have been authorized to do so, I have no hesitation in declaring to you, that, in communicating to the House of Commons the Agreement between The Bank and myself, so far as the Arrangement founded upon it will be submitted to the adoption of Parliament on the ground of the consent of The Bank, it shall be strictly confined to those parts of it which relate to the advance of £.3,000,000. and to the rate of Allowance for Management, concerning which no difference of opinion exists. With respect to the Unclaimed Dividends, I will distinctly state the difference which has arisen between us upon that point; and will submit to Parliament the propriety of adopting an Arrangement under that head, according to my notion of what is right upon the subject, not only without founding it on the consent of The Bank, but expressly noticing the

circumstance which has imposed upon The Court of Directors the necessity of declaring themselves unauthorized to give it their concurrence.

I have the honour to be,

Gentlemen,

Your obedient humble Servant,

SP. PERCEVAL.

*To the Governor and Deputy Governor
of The Bank.*



APPENDIX.

Catalogue of the Statutes passed relative to the Bank, prior and subsequent to the introduction of Mr. ABRAHAM NEWLAND into that Establishment.

1. Establishment of the Bank, 5 W. & M. c. 20. s. 20.
2. Bank bills may be signed by indorsement, 5 W. & M. c. 20. s. 29.
3. Amerceaments of the Bank to be detained by the officers of the Exchequer out of the Annual Fund, 5 W. & M. c. 20. s. 31.
4. Not to trade but in bills, or in gold and silver, 5 W. & M. c. 20. s. 27.
5. Scheme for Land Bank, 7 & 8 W. III. c. 31.
6. Enlargement of the funds of the Bank, 8 & 9 W. III. c. 20. 7 Ann, c. 7. 12 Ann, st. 1. c. 11. 1 Geo. I. st. 2. c. 12. 15 Geo. II. c. 13. s. 5.
7. Exclusive privilege of the Bank, 8 & 9 W. III. c. 20. s. 28. 6 Ann, c. 22. s. 9. 7 Ann, c. 7. s. 61. 3 Geo. I. c. 8. s. 44. 15 Geo. II. c. 13. s. 5.
8. Bank Stock free of Taxes, 8 & 9 W. III. c. 20. s. 31. 7 Ann, c. 7. s. 62. 3 Geo. I. c. 8. s. 16.

9. Contracts for stock not binding unless registered within seven days, and the transfer made within fourteen, 8 & 9 W. III. c. 20. s. 34.
10. No act of corporation to subject any member to forfeiture, 8 & 9 W. III. c. 20. s. 35.
11. The Bank shall make their dividends every six months, 9 W. III. c. 3. s. 4.
12. Shall not be compelled to make dividends but by order of the general court, 12 & 13 W. III. c. 12. s. 14. 7 Ann, c. 7. s. 65.
13. During the continuance of the Bank of England, there shall not be more than six bankers in partnership, 6 Ann, c. 22. s. 9. 7 Ann, c. 7. s. 61.
14. Qualifications of the Directors, &c. 6 Ann, c. 32.
15. Bank to circulate Exchequer Bills, 9 Ann, c. 7.
16. None to be Director of the Bank and India Company at the same time, 9 Ann, c. 7. s. 11.
17. Like clause for the South Sea Company, 9 Ann, c. 21. s. 61.
18. Power given to the Bank to lend money to the Treasurer of the Navy, or South Sea Stock, 12 Ann, st. 2. c. 3. s. 10.
19. Five sevenths of Excise duty on Beer, appropriated to the Bank, 1 Geo. I. c. 12.
20. Duty on Spices, &c. appropriated to the Bank, 1 Geo. I. c. 12.
21. Redemption of Bank Annuities, 3 Geo. I. c. 8. 8 Geo. I. c. 5. 13 Geo. I. c. 3. 1 Geo. II. st. 2. c. 8. s. 21. 11 Geo. II. c. 27. s. 16.
22. Members not paying their shares after notice in

Gazette, &c. Governor, &c. may stop Dividends and Transfers, 7 Ann, c. 27, s. 72. 3 Geo. I. c. 8. s. 38.

23. Reduction of Bank Annuity, 11 Geo. I. c. 9. 15 Geo. II. c. 13.
24. Annuities granted to the Bank upon the Coal duties, 1 Geo. II. st. 2. c. 8.
25. If the produce be deficient to be made good out of Sinking Fund, 1 Geo. II. st. 2. c. 8. s. 9. 2 Geo. II. c. 3. s. 8. Overplus of Additional Duties on Soap, Paper, &c. charged with Annuity of 50,000*l.* to Bank, free from Taxes, 2 Geo. II. c. 3.
26. Servants of the Company embezzling effects, guilty of felony without clergy, 15 Geo. II. c. 13. s. 12.
27. Directors may chuse a Chairman in absence of the Governor, 15 Geo. II. c. 13. s. 13. 24 Geo. II. c. 4. s. 22.
28. Additional Annuity granted to the Bank for Exchequer Bills, cancelled, 19 Geo. II. c. 6.

All the following Statutes have been passed subsequent to the introduction of Mr. ABRAHAM NEWLAND into the Bank.

29. General Court of the Bank may proceed without taking the Oaths, 24 Geo. II. c. 4. s. 21.
30. Agreement with the Bank for raising certain sums for the service of the year 1764, in consideration of which the Corporation is continued, &c. 4 Geo. III. c. 25.
31. The Bank is to continue a Corporation till the several Annuities established by Parliament are

- redeemed, 4 Geo. II. c. 9. s. 33. 15 Geo. II. c. 19. s. 13. 16 Geo. II. c. 13. s. 32. 17 Geo. II. c. 18. s. 28. 18 Geo. II. c. 9. s. 33. 19 Geo. II. c. 6. s. 15. & c. 12. s. 59. 20 Geo. II. c. 3. s. 55. & c. 10. s. 45. 21 Geo. II. c. 2. s. 36. 22 Geo. II. c. 23. s. 14. 23 Geo. II. c. 16. s. 11. 28 Geo. II. c. 15. s. 31. 29 Geo. II. c. 7. s. 39. 30 Geo. II. c. 19. s. 51. 31 Geo. II. c. 22. 32 Geo. II. c. 10. 33 Geo. II. c. 7. 1 Geo. III. c. 7. 2 Geo. III. c. 10. 3 Geo. III. c. 12.
32. Persons not authorized by the Bank, making or using moulds for the making of paper with the words Bank of England visible on the substance, or having such moulds in their possession, guilty of felony without benefit of clergy, 13 Geo. III. c. 79. s. 1.
33. Penalty of making and issuing notes and bills engraved to resemble those of the Bank, or having the sum expressed in white characters on a black ground, 13 Geo. III. c. 79. s. 2.
34. Persons possessed of such notes may carry them for payment, 13 Geo. III. c. 79. s. 3.
35. An agreement established with the Governor and Company of the Bank for advancing the sum of £2,000,000, for the service of the year 1781, 21 Geo. III. c. 60.
36. The repayment of the above sum postponed by 24 Geo. III. c. 32. 25 Geo. III. c. 83.
37. Bank Notes and Bills exempted from the duties charged on Bills of Exchange and Promissory Notes,

- by the annual payment of £12,000 to the Exchequer, 31 Geo. III. c. 25. s. 5.
38. Bank to pay into the Exchequer £500,000, to be carried to the Consolidated Fund, 31 Geo. III. c. 3.
39. Bank enabled to purchase contiguous houses and ground, 33 Geo. III. c. 15.
40. The East India Annuities placed under the management of the Bank, 33 Geo. III. c. 47.
41. Clerks of the Bank making out false Dividend Warrants for Irish Annuities payable at the Bank, to be transported for seven years, 35 Geo. III. c. 66. s. 10.
42. When trustees in whose name stock stands in the Bank shall be out of jurisdiction, or become bankrupts, the Courts may order stock to be transferred or dividends paid; and when all the Trustees cannot be found, may order the forthcoming ones to transfer stock and pay over dividends which shall be valid, 36 Geo. III. c. 90. s. 1.
43. All notes issued by the Bank after March 2d, 1797, for sums under £5. declared valid, 37 Geo. III. c. 28.
44. The Bank, and all persons concerned, indemnified for all acts done in pursuance of a minute of Council of February 26th, 1797. 37 Geo. III. c. 45. s. 1.
45. Restrictions on the issue of Cash by the Bank. Id. s. 2. 37 Geo. III. c. 91. s. 1. & 38 Geo. III. c. 1.
46. Payments in Notes to be deemed payments in Cash, if accepted as such, 37 Geo. III. c. 45. s. 8. & c. 91. s. 7. & 38 Geo. III. c. 1. s. 7.

47. Collectors of the public revenues to accept it in Bank Notes, 37 Geo. III. c. 45. s. 10. c. 91. s. 9. & 38 Geo. III. c. 1. s. 9.
48. For establishing agreement with the Bank for advancing three millions for the service of the year 1800, 39 & 40 Geo. III. c. 28.
49. Exchequer Bills to the amount of £3,000,000, may be issued payable without interest out of supplies to be granted for 1806, 39 & 40 Geo. III. c. 28. s. 1—7.
50. Bank to give their notes for such Exchequer Bills when tendered to them, 39 & 40 Geo. III. c. 28. s. 8—10.
51. How such Exchequer Bills shall be payable on the 3 per cent. consols rising to 80, 39 & 40 Geo. III. c. 28. s. 11, 12.
52. Bank continued a corporation till the end of twelve months notice after August 1st, 1833, 39 & 40 Geo. III. c. 28. s. 13, &c.
53. Bank impowered to advance cash for foreign subsidies, 39 & 40 Geo. III. c. 33 s. 7.
54. Bank enabled to purchase houses and improve avenues to the Bank, 39 & 40 Geo. III. c. 89.
55. Bank to continue a corporation till certain Annuities shall cease, 42 Geo. III. c. 33. s. 27, 43 Geo. III. c. 67. s. 26.
56. Restrictions on payments in cash by the Bank, confirmed by 37 Geo. III. c. 45. & c. 91. & 38 Geo. III. c. 1. Further continued, 42 Geo. III. c. 40. Amended, 43 Geo. III. c. 18. Continued during the war, 44 Geo. III. c. 1.

57. For preventing the forgery of Bank Notes; Bank bills of Exchange: and Bank Post bills, 41 Geo. III. (*U. K.*) c. 39.
58. Persons not authorized by the Bank who shall make, &c. or have in their custody any frame for making paper with the Bank water marks or mark, &c. or publish such paper, or who shall assist in so doing, shall be transported for fourteen years, s. 1.
59. *Exceptions.*—Bills in circulation, s. 2. Private bills with certain watermarks, s. 3. Water marks not resembling the Bank water-mark, s. 4.
60. Persons knowingly receiving, &c. any forged Bank note, &c. or blank Bank note, &c. guilty of felony, and shall be transported for fourteen years, s. 5.
61. Unauthorized persons engraving, &c. any Bank note, &c. or using any engraved plate, &c. or knowingly having such plate &c. in their custody, or uttering such Bank note, &c. guilty of felony, and shall be transported for seven years, s. 6.
62. Bank continued a Corporation till certain Annuities shall cease, 42 Geo. III. c. 33. And subsequent Loan acts to, 46 Geo. III. c. 33. s. 26
63. Restrictions on payments in cash by the Bank, confirmed by 37 Geo. III. c. 45. & c. 91. 38 Geo. III. c. 1. Further continued, 42 Geo. III. c. 40. Amended, 43 Geo. III. c. 18. Continued during the war, 44 Geo. III. c. 1.
64. For preventing the forgery of Bank notes, Bank bills of Exchange, and Bank Post bills, 41 Geo. III. (*U. K.*) c. 39. 45 Geo. III. c. 89.

65. Persons not authorized by the Bank, who shall make, &c. or have in their custody any frame, &c. for making paper with the Bank water marks or mark, &c. or publish such paper, or who shall assist in so doing, shall be transported for fourteen years, s. 41. Geo. III. c. 39. s. 1. 45 Geo. III. c. 89, s. 2.
66. *Exceptions.*—Bills in circulation, c. 41. s. 2. Private Bills with certain water marks, c. 41. s. 3. c. 45. s. 4. Water marks not resembling the Bank water mark, c. 41. s. 4. c. 45. s. 5.
67. Persons knowingly receiving, &c. any forged Bank note, or any blank Bank note, &c. guilty of felony, and shall be transported for fourteen years, c. 41. s. 5. c. 45. s. 6.
68. Unauthorized persons engraving, &c. any Bank note, &c. or using any engraved plate, &c. or knowingly having such plate in their custody, or uttering such Bank note, &c. guilty of felony, and shall be transported for seven years, 41 Geo. III. c. 39. s. 6. Fourteen years, 45 Geo. III. c. 89, s. 7.

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